

Social Security Bulletin

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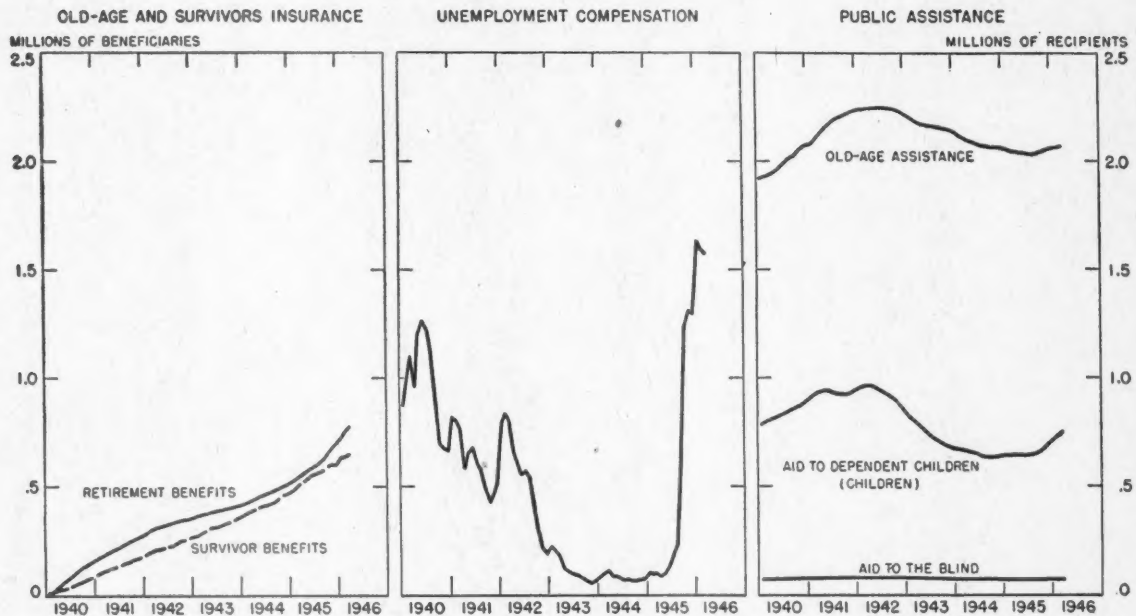
*Ten Years of Social Security Administration
in the Southwest*

Need for a National Health Program

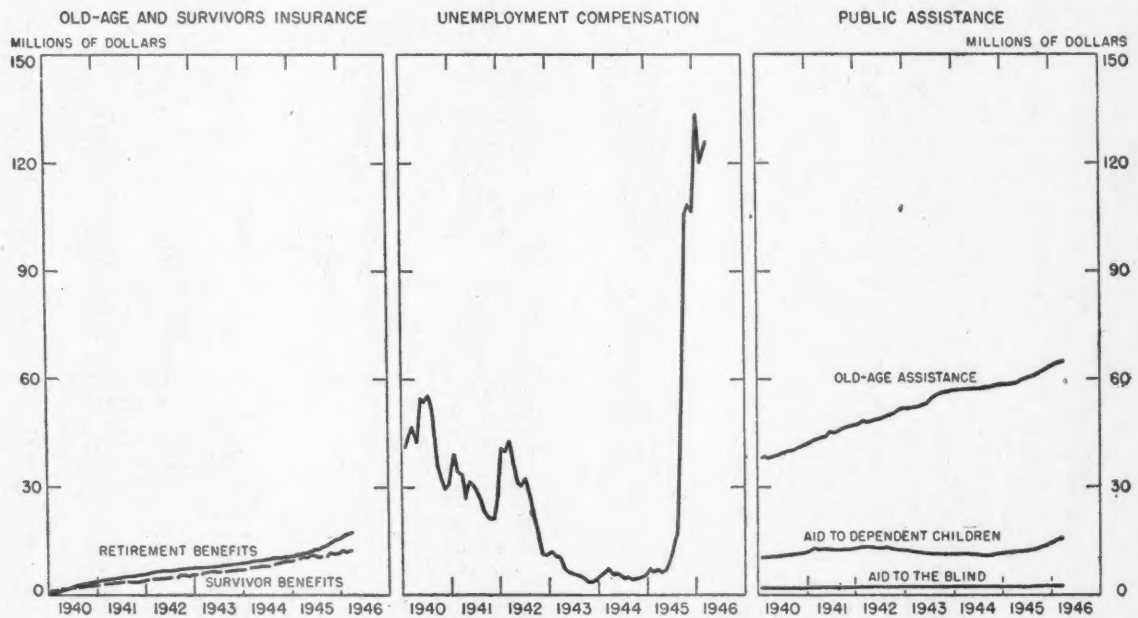
FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD
WASHINGTON, D. C.

Social Security Operations*

INDIVIDUALS RECEIVING PAYMENTS



SOCIAL SECURITY PAYMENTS



*Old-age and survivors insurance, beneficiaries for whom payments were certified and amounts certified during month; unemployment compensation, weekly average number of beneficiaries for the month and gross benefits paid during the month under all State laws; public assistance, recipients and payments under all State programs.

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Social Security Bulletin

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Social Security in Review

The Labor Force in April

The outstanding events in the course of reconversion in April were the slowdown and approaching completion of demobilization of the armed forces; the steady expansion of civilian production, especially building construction; and the strike in soft-coal mining.

The full impact of the coal strike was not felt in the first 2 or 3 weeks, because considerable stocks had accumulated during the winter strike in the iron and steel industry. Up to the end of April, production of iron and steel continued on a large scale and, apart from some difficulties for the transportation system, no bottlenecks were directly attributable to the stoppage of coal mining. However, the threat of the eventual interruption in the shipments of the most vital raw material impended; in the machinery and construction industries the outlook was particularly uncertain. Without affecting directly the current production of iron and steel, the coal strike slowed down the reabsorption of veterans and civilians laid off after the end of the war. Despite this interruption, the readjustment of the economic system to peacetime conditions continued steadily although more slowly than might have been anticipated.

The approach of the high season in agriculture eased the pressure of unemployment on the urban labor market. Farm employment increased more than seasonally, thanks to the flow of returning ex-servicemen, who have already begun to replace emergency war workers—women and children—on the farms.

With the gradual curtailment of the labor force, overexpanded during the war, reduction of weekly hours of work in industry has continued, though shortage of skilled labor made this readjustment increasingly difficult. Overtime work remained widespread in many industries.

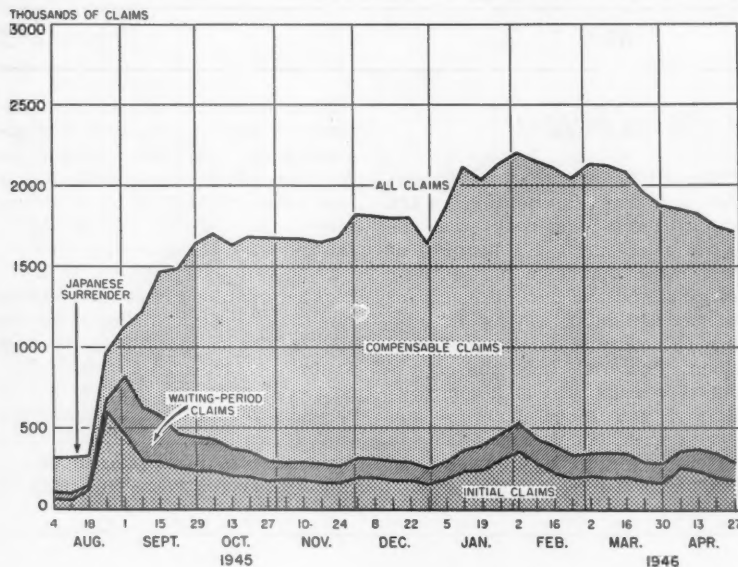
The deflationary pressure of the decline in Federal expenditures on the flow of income payments was absorbed by the upward adjustment of wage rates, purchases of returning veterans, and the discontinuance of the quasi-voluntary savings of wartime. Shortage of durable goods and building materials kept the expansion of consumption in a comparatively narrow range, however, and kept current savings from sinking to the level at which they are likely to be stabilized when reconversion ends.

Apart from the economic conditions mentioned above, the flow of unemployment insurance claims in April was affected by the beginning of new uniform benefit years in several States; initial claims skyrocketed in the first week of the new benefit year, waiting-period claims went up in the next 2 weeks, and compensable claims rose—although more slowly—by the end of the month. The six New England States and Colorado, Illinois, and Maryland entered a new benefit year on April 1 or during the week ended April 6. Differences in April claims in these States and in the rest of the country are illustrated by

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Weekly number of claimants for unemployment benefits, August 4, 1945–April 27, 1946



the following figures on initial, waiting-period, and compensable claims:

Type of claim and week ended—	United States total	9 States with new benefit years	All other States
Initial:			
Mar. 30.....	162,907	23,023	139,884
Apr. 6.....	257,176	101,242	155,934
Apr. 13.....	239,360	87,539	151,821
Apr. 20.....	197,301	61,307	135,994
Apr. 27.....	172,196	38,178	134,018
Waiting-period:			
Mar. 30.....	117,659	8,661	108,998
Apr. 6.....	99,500	9,083	90,417
Apr. 13.....	129,093	31,522	98,471
Apr. 20.....	144,245	50,247	93,998
Apr. 27.....	110,743	22,725	88,018
Compensable:			
Mar. 30.....	1,594,179	206,103	1,388,076
Apr. 6.....	1,496,328	186,675	1,309,653
Apr. 13.....	1,458,717	182,430	1,276,287
Apr. 20.....	1,411,417	183,888	1,227,529
Apr. 27.....	1,430,036	230,003	1,200,033

Apart from minor weekly fluctuations, the weekly number of initial claims remained fairly stable in the other 42 States, and waiting-period and compensable claims declined. In the 4 weeks (weeks ended March 30 through April 20) about 600,000 persons filed initial claims. The number of continued claims, however, declined in the same period from 1.5 million to about 1.3 million. This decline indicates that of about 2.1 million individuals who either filed initial claims during the 4 weeks or had filed continued claims in the week ended

March 30, more than 800,000 disappeared from the rolls. Hardly more than 50,000 exhausted their benefit rights; others found jobs. The reabsorption of unemployment covered by State unemployment insurance programs proceeded at a rate of about 10 percent per week or 40 percent per month.

April also brought some improvement in employment opportunities for veterans. After a continuous rise since VJ-day, the number of recipients of veterans' readjustment allowances began to decline in the second week. Unless the general economic situation worsens and reconversion stalls, the decline in unemployment of veterans is likely to speed up the reabsorption of laid-off or displaced civilian workers.

March in Review

Initial claims for unemployment benefits declined in March for the second successive month. Continued claims rose in the country as a whole. The increase was partly administrative—the 3 more reporting days than in February—but mainly the result of a rise in continued claims in Pennsylvania, where workers who had been involved in a labor dispute and had completed their disqualification period began drawing benefits. Bene-

fit disbursements rose to \$126 million; in March 1945 the amount stood at \$7 million. For the first time since April 1945, the average weekly number of persons receiving benefits declined, and an average of 1.6 million persons, 55,000 fewer than in February, received weekly payments. The average number of ex-servicemen receiving veterans' readjustment allowances, on the other hand, rose from 1.1 million to 1.5 million.

MORE MONTHLY old-age and survivors insurance benefits were awarded in March than in any previous month, and relatively more benefits were in current-payment status than in any month in almost 4 years. Some 1.4 million beneficiaries—almost 9 out of every 10 beneficiaries for whom benefits were in force at the end of the month—were receiving current payments, at a monthly rate of \$26.2 million.

IN PUBLIC ASSISTANCE the upward movement in case loads continued in March; the relative increase in general assistance, however, the largest for any of the programs, was only about half the rise in February. A slight increase in average payments in each of the four programs, coupled with the increase in numbers of recipients, caused total expenditures for assistance to rise from \$92.1 million in February to \$93.6 million in March. A year earlier, assistance expenditures were a little more than \$80 million.

Federal Security Agency Reorganization

In his Reorganization Plan No. 2 of 1946—one of three plans sent to Congress on May 16—President Truman proposed transfer to the Federal Security Agency of several programs closely related to the objectives of the Agency, as well as certain changes in internal organization and management. In the absence of congressional action, the order will go into effect 60 days from the date of transmittal. The plan transfers to the Administrator the functions of the Children's Bureau, except those relating to child labor; the functions of the Census Bureau relating to vital statistics; the functions of the U. S. Em-

ployees' Compensation Commission; and those of the three members of the Social Security Board.

The child labor program, the President explained, is the only permanent program of the Children's Bureau that is properly a labor function; the other four—child welfare, aid to crippled children, maternal and child health, and research in problems of child life—all fall within the scope of the Federal Security Agency, and the transfer of the Children's Bureau would not only close a serious gap in the work of the Agency but would strengthen the child care programs by bringing them into closer association with the health, welfare, and educational activities with which they are inextricably bound up. Within the Agency the Children's Bureau would continue to deal with problems of child life, but the Administrator would be enabled to gear in the Bureau's programs effectively with other Agency activities.

The vital statistics functions transferred from the Census Bureau would be performed through the Public Health Service or other facilities. In every State but one the State health department, financed partly from public health grants administered by the Public Health Service, is in charge of vital statistics. Under the plan, the agency providing the grants would also be responsible for carrying on the Federal part of the vital statistics program and could better correlate vital statistics with morbidity statistics, already handled by the Public Health Service.

The plan abolishes the U. S. Employees' Compensation Commission and sets up a three-member board to hear and decide appeals on claims of Government employees. Abolition of the Commission "eliminates a small agency and lightens the burden on the President. The Federal Security Administrator, as the head of the Federal agency with the greatest experience in insurance administration, is in the best position to guide and further the program of the Commission."

Abolition of the three-member Social Security Board, the President said, would be a further step in "establishing a definite line of responsibility for the administration of social

security functions in the Agency"; the first step was taken in 1939 when President Roosevelt established the Agency and provided that the Federal Security Administrator should direct and supervise the Social Security Board and that he might assign administrative duties to the Chairman rather than to the Board as a whole. "A full-time board in charge of a group of bureaus within an agency is at best an anomaly. The Social Security Board rendered an outstanding service in launching the social security program, and its members deserve the thanks of the Nation for this achievement. That program, however, is now firmly established and its administration needs to be tied in more fully with other programs of the Federal Security Agency." To obtain more expeditious and effective direction, the plan provides "for not more than two new assistant heads of the Agency for the administration of the program. Because of the additional functions transferred to the Administrator by this plan, I have found that these officers will be needed to assist him in the general management of the Agency and to head the constituent unit or units which the Administrator will have to establish for the conduct of social security activities."

Among the other changes proposed is that of coordinating the administration of the various grant-in-aid programs vested by statute in the constituent units of the Agency. Insofar as is practicable and consistent with the applicable legislation, the Administrator is to establish uniform standards and procedures for these programs and permit States to submit a single plan of operation for related grant-in-aid programs.

"The size and scope of the Federal Security Agency, and the importance of its functions," the President said in conclusion, "clearly call for departmental status and a permanent place in the President's Cabinet. . . . Accordingly, I shall soon recommend to the Congress that legislation be promptly enacted making the Federal Security Agency an Executive Department, defining its basic purpose, and authorizing the President to transfer to it such units and activities as come within that definition.

"The people expect the Federal Government to meet its full responsibilities for the conservation and development of the human resources of the Nation in the years that lie ahead. This Reorganization Plan and the legislation that I shall propose will provide the broad and firm foundation required for the accomplishment of that objective."

Letter From Greece

SOCIAL INSURANCE INSTITUTE
ATHENS, GREECE
20 March 1946

SOCIAL SECURITY BOARD
Washington D. C. U. S. A.

Gentlemen:

We are happy on being able after a break of six years to renew our contact with you on the restoration of communication between our countries.

Coming through a nearly four years' occupation our country lies in a complete devastation and is faced with the most serious problems.

Reorganization of social security on a larger basis is one of the most important. Your experience on the matter would be very helpful in the solution of the many issues raised by the establishment of a comprehensive, nation wide scheme of social insurance.

So it would be much appreciated if you could send us your Annual Reports concerning the years 1940-1945 and any other publications of your Board which could be proved of interest.

We hope to have soon printed a Report concerning the activities of our Institution, covering the period 1941-1944, whose copy, we shall take a pleasure in forwarding to you.

Sincerely yours,

CH. AGALLOPOULOS
General Director

When the war began, several social security agencies in other countries wrote to the Board to ask that publications be kept for them until communications could be resumed. A stock of Board publications has been held from which copies will be sent to Greece and other countries that wish to fill in the gap of the war years.

Ten Years of Social Security Administration in the Southwest

By Oscar M. Powell*

TEN YEARS' EXPERIENCE in dealing with problems of social security has meant something very different to many of you in this part of the country from what it has meant to administrators elsewhere. There have not been many 10-year periods in the short but rapidly moving history of most of the seven States represented here. Not many decades before the passage of the Social Security Act, the Comanches and Apaches were the most serious security problem of the few settlers in these regions. I wish it were possible to get a few documentary movie shorts taken in each of the eight or ten decades before 1935. It is difficult to realize how short a time it is since the railroads came and the open free range disappeared in this part of the country. Men now living can well remember some of these States as hardly settled wild frontiers. We here have seen our cities grow from towns and our towns from wide places in the road.

Ten years is a larger part of the history of these States than it is of the history of the industrial East, but the problems of an industrial society have caught up with the Southwest. These years have brought more and more people—more and larger towns—greater dependence on money wages or markets—fewer people who count on raising or making the things they use. In one sense the region has been rushed from a very simple society into a highly complex one, complicated by interdependence with other parts of our country and the world beyond it. We have had little time to make the transition, but we now must deal with the consequences of the change.

Probably the most impressive achievement of these first 10 years of social security administration is the

general public acceptance of its programs. Acceptance of social security as an idea and as a protection against income losses due to unemployment, old age, or death is the more remarkable because before 1935 workmen's compensation was the only form of social insurance with which the United States had had much experience. This almost immediate and universal acceptance undoubtedly reflects the fact that the insurance programs met a widely felt need. Unemployment in the early 1930's was still a vivid reality even to those who, by 1935, had regained jobs. The particularly difficult plight of old people during the years of depression and drought forcefully dramatized the needs of this growing group in our population. American workers had long recognized the desirability of life insurance, but for the most part they had not been able to provide adequate protection for their families. The introduction of social insurance provided at least a minimum of protection against circumstances with which they themselves had not been able to deal as individuals.

By way of contrast, the public assistance titles of the Social Security Act were less of a novelty in the United States. Many States had already singled out the needy aged, the blind, and dependent children for special assistance. Some of the programs, however, were of little significance in meeting need. Frequently they were in operation in only a part of a State. Residence and other eligibility requirements often barred many needy people from aid. Moreover, since appropriations were often extremely small and sometimes were lacking, payments were far from adequate and on occasion were interrupted or discontinued. A few of the early laws became inoperative or were even repealed. The Social Security Act—building on existing foundations—gave every State a chance and an incentive to extend and strengthen its assistance programs or to establish new ones on a State-wide basis.

Social Insurance in the Southwest

The Federal old-age and survivors insurance program was established to enable workers, through their own contributions and those of their employers, to build up rights to benefits against the time when old age cuts down or cuts off earnings and also to protect the wives and children of wage earners who die. The Federal-State unemployment insurance system builds up a fund from employer contributions to protect workers against complete loss of income during limited periods of involuntary unemployment. Since the coverage of both these programs is now restricted almost wholly to wage and salary workers in industry and commerce, the significance of social insurance under the Social Security Act has been different in areas like the Southwest, where agriculture is important, from that in parts of the country where industry predominates.

Effect of Old-Age and Survivors Insurance Coverage Restrictions

Unfortunately not all people who work for a living can earn the protection of old-age and survivors insurance. Under the present law, the self-employed, including farmers, shopkeepers, and most professional people, as well as agricultural workers, domestic workers, and others, do not have this protection. Farmers and farm wage workers—two of the largest groups left out—make up a substantial part of the labor force in the Southwest.

Loss of family protection.—The last census shows that only about half the employed labor force in the seven States here denoted as the Southwest were in jobs covered by the system. Measure this protection against that in seven industrial States—Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, and Rhode Island—where the number of workers in covered jobs represents three-fourths of the employed labor force. Even among the seven Southwestern States, the proportion of gainful workers in covered employment varies widely, from less than one-third in Arkansas to more than half in Arizona and Colorado.

*Executive Director, Social Security Board. Speech before the Southwestern regional meeting of the American Public Welfare Association, at Amarillo, Texas, April 18-19. For convenience, the "Southwest" is used to denote the seven States represented at that conference—Arizona, Arkansas, Colorado, Kansas, New Mexico, Oklahoma, Texas.

In addition to keeping many people from earning any rights to benefits, the restrictions in coverage cut down the size of the benefit paid to those who do qualify. Benefit rights under old-age and survivors insurance depend not only on having earnings in covered industry but also on the amount and continuity of such earnings. If a worker spends a part of each year or a part of his life working on a farm and another part in a job covered under the Federal insurance program, his earnings on the farm will not be counted in determining whether or not he or his survivors can be entitled to benefits or the size of any benefit for which they do qualify. Where opportunities for covered employment are relatively fewer, as in the Southwest, the shifts of workers between covered and non-covered jobs seriously affect their chance of building up benefit rights.

Relation to cost of assistance.—Obviously the coverage limitations of old-age and survivors insurance bear more heavily on this section of the country than on the more industrialized States. This fact has particular significance for public welfare administrators, who must go to their State legislatures from time to time to ask for funds to meet the mounting burden of public aid to the aged. The

more old people who receive retirement benefits under the Federal insurance program, the fewer the old people who will be in need of public aid and the smaller the burden on State and local budgets to finance old-age assistance. Likewise, wider protection for widows and children under the insurance program will lessen needs for aid to dependent children.

Because the insurance program is still so young, the present number of beneficiaries and the amount of their benefits are only a small fraction of what the figures will be in the years ahead. Yet even now the Southwest's disadvantage is apparent.

In June 1945, about 82,000 persons in the seven Southwestern States were on the benefit rolls of the insurance system and entitled to receive benefits totaling about \$16 million a year (table 1). In contrast, the seven industrial States mentioned earlier, with a somewhat smaller total population, had 191,000 beneficiaries on the rolls, who were entitled to receive almost \$45 million a year—nearly three times the total payable in your seven States. These figures are for benefits in force—that is, for benefits that were payable but were not always being paid each month, since a beneficiary cannot receive a payment for any month in which he

earns more than \$14.99 in a covered job or fails to meet certain other conditions for current payments. During the war a considerable number of beneficiaries had their benefits suspended while they had covered earnings; now, when it is harder for old people and widows and children to get and hold paid jobs, the proportion of suspensions is shrinking. Relatively fewer people in the Southwest have benefit rights on which they can draw when they choose or are obliged to stop paid work.

Per capita of total population, your States had \$1.09 per person per year in benefits in force under old-age and survivors insurance as of June 1945. The industrial States had \$3.33, almost three times as much. Your old people on the insurance rolls represented 42 per 1,000 of your total aged population, but in the seven industrial States the aged beneficiaries represented 108 out of each 1,000 old people in the population. Arizona, with 65 aged beneficiaries per 1,000 old people, had the highest rate in this region, but the Arizona rate was lower than that in any of the seven industrial States.

Looking at old-age assistance in these two groups of States, we find that in June 1945 the Southwestern States were paying old-age assistance to 358,000 needy old people, or to 382

Table 1.—Old-age and survivors insurance: Selected data for seven Southwestern States and seven industrial States

State	Total population, 1940	Old-age and survivors insurance benefits, June 1945		Percent of employed labor force covered by old-age and survivors insurance, March 1940	Aged population and beneficiaries			Total insurance benefits as percent of total income payments, 1944	Percentage distribution of benefits and contributions, 1944		
		Number of beneficiaries	Total amount		Aged population, April 1945	Aged beneficiaries			Benefits	Employee contributions	Total contributions ¹
						Number, June 1945	Number per 1,000 aged population				
Total, United States.....	131,669,275	1,281,040	\$23,547,598	59.9	10,060,000	759,682	76	0.15	100.00	100.00	100.00
Total, 7 Southwestern States.....	14,656,048	81,985	1,326,116	47.9	978,000	40,726	42	.10	5.65	6.30	7.65
Arizona.....	499,261	4,032	69,088	52.8	27,000	1,751	65	.11	.29	.29	.34
Arkansas.....	1,949,387	8,228	116,997	30.7	120,000	4,003	33	.11	.52	.41	.56
Colorado.....	1,123,296	9,179	168,942	53.7	95,000	5,764	61	.14	.73	.55	.76
Kansas.....	1,801,028	12,061	202,465	44.2	166,000	7,358	44	.09	.77	.87	1.00
New Mexico.....	531,818	2,339	35,101	43.3	26,000	885	34	.08	.14	.14	.22
Oklahoma.....	2,336,434	10,267	169,745	44.5	158,000	4,930	31	.09	.71	.84	1.03
Texas.....	6,414,824	35,879	563,778	45.8	386,000	16,035	42	.09	2.49	3.20	3.74
Total, 7 industrial States.....	13,478,747	191,061	3,740,996	75.3	1,151,700	124,102	108	.18	15.39	14.43	13.55
Connecticut.....	1,709,242	24,844	494,041	78.4	148,000	16,063	109	.17	2.07	2.49	2.10
Delaware.....	266,505	3,315	60,197	63.9	22,700	2,036	90	.15	.27	.32	.29
Maryland.....	1,821,244	18,395	328,198	64.9	137,000	10,260	75	.12	1.47	1.81	1.64
Massachusetts.....	4,316,721	71,924	1,424,154	78.1	402,000	48,126	120	.21	5.23	4.11	4.12
New Hampshire.....	491,524	7,143	129,403	71.1	50,000	5,012	100	.29	.53	.30	.48
New Jersey.....	4,160,165	54,201	1,090,779	76.3	330,000	34,711	105	.18	4.86	4.63	4.20
Rhode Island.....	713,346	11,239	214,224	79.8	62,000	7,894	127	.20	.94	.77	.72

¹ Assuming employer contributions shifted to consumers.

out of each 1,000 old people in the total population. The seven industrial States, on the other hand, were paying assistance to only 120 per 1,000 total aged population, less than one-third the relative number. While the rate for the Southwestern States as a group is greatly influenced by the rates in Oklahoma, Texas, and Colorado, which are the highest in the country, none of the industrial States had a rate as high as that in Kansas, the low State in your region.

In the last fiscal year, your seven States as a group spent \$8.28 per inhabitant for old-age assistance from Federal, State, and local funds. The seven industrial States as a group spent only \$4.62 per inhabitant. In your region only Arkansas and New Mexico spent less than \$5 per inhabitant, while only two of the seven industrial States spent more than \$5 per inhabitant.

I am not implying that old-age and survivors insurance is responsible for all or even a major part of the difference between the two groups of States in old-age assistance expenditures. Even before insurance benefits were paid, old-age assistance loads in some of these industrial States were much lower than in your States. The point is that, because per capita income in all your States is below the average for the country as a whole, the need for assistance is relatively greater than in many other parts of the country. Unless we have broader coverage under old-age and survivors insurance, your public assistance burden, which is already large, will continue to mount, while that in other States will decline as the insurance program matures. Even now, in relation to income payments, your State and local expenditures for old-age assistance, aid to dependent children, and aid to the blind are double those in the seven industrial States. Consider the record for the past 10 years. The seven Southwestern States spent \$855 million for the three public assistance programs, while the seven industrial States were spending \$620 million. It would not be safe to attempt to predict the aggregate amount of your future public assistance bill. Present and past trends are indicative, but economic and political pressures, which would be minimized to some extent under a contributory

insurance system with broad coverage, are too unpredictable to permit a forecast under a continuation of the present legislative structure.

Disadvantages to business.—The limitation of the coverage of old-age and survivors insurance also operates to the disadvantage of the States in this region in its effect on business enterprises, including farming. Every person who would be eligible for a benefit under broader coverage but is now ineligible, and every beneficiary whose benefit is smaller because of the limited coverage, in effect loses a certain amount of potential income. This loss, in turn, affects total income in the State and the purchasing power which supports markets within the State. In 1944, old-age and survivors insurance benefits represented almost twice as large a proportion of total income payments in the seven industrial States as in the seven Southwestern States. This difference in the relative contribution of insurance benefits to State income will become increasingly larger as benefit payments under the insurance program grow. Over a period of years the total is expected to increase to from 10 to 20 times the present amount.

Relation of benefits to contributions.—The total amount paid in benefits in this region also is smaller in relation to contributions paid toward old-age and survivors insurance than in the seven industrial States. Relatively more workers here move back and forth between covered and non-covered employment and do not obtain enough credits to qualify them for insurance benefits, though they and their employers pay contributions on their earnings when they are in covered jobs. Moreover, it is frequently maintained that employers shift a substantial part of their old-age and survivors insurance contributions to the consumers of their products in the form of prices. To the extent that this occurs, residents of the Southwestern States, many of whom are not insured under the Federal system, contribute indirectly to the cost of old-age and survivors insurance as consumers of products produced in other States. If we assume that the shifting of employer contri-

butions follows closely the pattern of consumption expenditures in the States, the people in this region are paying—either directly or indirectly—half as large again a percentage of total insurance contributions as the proportion of total insurance benefits they are receiving.

Costs of coverage restrictions to the Southwest.—I have not attempted to translate into dollar terms what the Southwest may be losing as a result of the limited coverage of the insurance program. For one thing, that program is still growing very rapidly and will continue to do so for many years. Figures which would be applicable today would considerably understate potential future losses. In the second place, translating into dollar figures the percentages and ratios I have given would require assumptions or forecasts regarding various uncertain factors. Two points are certain, however. One is that, measured in relation to present State and local budgets, the losses of the Southwestern States from the limited coverage of the insurance program are far from insignificant. The second point is that removal of present limits on the coverage of the Federal program would largely remedy their unfavorable position under the insurance program and would help to lighten their disproportionately heavy burden of assistance.

Restrictions in Coverage of Unemployment Insurance

Limitations on unemployment insurance coverage also are relatively more significant in your States than in the seven industrial States. To some extent this less favorable position results, as in old-age and survivors insurance, from the exclusion of agricultural and domestic employees and government workers. In unemployment insurance, however, there is an additional restriction on coverage. While old-age and survivors insurance applies to employers regardless of size of firm, the Federal Unemployment Tax applies only to firms employing at least 8 persons for at least 20 weeks in a calendar year. The States are not bound by this restriction, and only 18 have adhered to it. Of these, three are Southwestern States. Only Arkansas in this

region covers employers of 1 or more. The increase in coverage which would result in this region from elimination of the size-of-firm provision would range from 2.3 percent in New Mexico to almost 20 percent in Kansas.

In 1944, among your States, unemployment insurance covered from 49 percent of all wages and salaries in New Mexico to 64 percent in Kansas. In the seven industrial States, in contrast, the range was from 68 percent in Rhode Island to 85 percent in Connecticut. For both groups of States, these proportions would be further increased if exclusions relating to type of employment as well as size of firm were removed.

The effect of unemployment insurance on public assistance is less clear than that of old-age and survivors insurance. Undoubtedly, however, to the extent that unemployment insurance benefits are available to workers for their entire spells of unemployment, the burden of need is carried by the insurance rather than the assistance program. Failure to insure all workers leaves one gap in the insurance program. Other gaps arise if benefits are paid for too short a time or if too many other barriers are put between the workers and benefits. In the seven industrial States which I have been using as a sort of measuring rod, the maximum time during which an unemployed worker can receive benefits ranges from 20 weeks in three States to 26 weeks in two. In this region, one State provides a maximum of 14 weeks, and only two provide as many as 20 weeks of benefit payments for an insured worker who continues to be unemployed for that time.

The Southwest's Stake in Strengthening Social Insurance

Coverage of all gainful workers by old-age and survivors insurance and extension of unemployment insurance to all wage and salary workers as rapidly as possible are two of the important recommendations made to Congress by the Social Security Board. Other recommendations for old-age and survivors insurance are to credit veterans with their period of service in the armed forces, to reduce the qualifying age for women beneficiaries from 65 to 60 years, to increase benefit amounts, particularly

for low-paid workers, and to increase the amount of earnings a beneficiary may have without suspension of benefits.

Adoption of these recommendations would be of far-reaching benefit to the Southwest. It would protect many millions of workers and their dependents against the hazard of wage loss due to unemployment, age, or death. It would serve to bring social insurance contributions and benefit payments in this region more nearly into line with each other. It would raise average benefit amounts and reduce the relative load on the public assistance program. It should make it possible for the States to care better for their unfortunate.

The Southwest has a big stake as well in Board recommendations in the field of disability and health. For many thousands of families, illness or disablement of the wage earner is an even greater hazard than either old age or death. Family income is seriously reduced or ceases altogether, and large and unpredictable expenses for medical care may be necessary.

The Social Security Board believes the insurance principle can be applied to these risks as it has been to the risks of old age, death, and unemployment. The Board has recommended the addition of long-term disability insurance to the present old-age and survivors insurance program. There should also be insurance against wage loss due to temporary illness, and the Board has proposed a prepayment system of medical care insurance to assure that all workers and their dependents can get—and pay for—necessary kinds and amounts of medical care when they need it.

These recommendations have a special significance for the States in this conference because farmers and farm workers are generally excluded from workmen's compensation and you have more than your proportionate share of both farmers and farm workers. Moreover, some of your States have illness and death rates for certain conditions in excess of the national average. By making possible early diagnosis and treatment, insurance against medical costs should do much to reduce the annual toll in disability and death chargeable to our major illnesses. It should also reduce appreciably the volume of public

assistance resulting from illness or incapacity.

The Role of Public Assistance

Until we extend coverage and liberalize age and other eligibility requirements and benefit amounts in social insurance, public assistance will continue to be the mainstay against income loss of the large group of people who have no opportunity to build up insurance rights or who meet with some misfortune not now covered by social insurance. Even when social insurance is extended, there will always be some people who for one reason or another will fail to qualify for any benefits or for enough to meet their basic needs. Under a comprehensive and adequate social insurance system, however, the number of such people would represent but a small fraction of the present public assistance load.

Progress in the Conference States

During the last decade, the Southwest's progress in public assistance has been impressive. Some of this progress is part of the long-time trend toward better provisions for public welfare, but undoubtedly Federal grants-in-aid for the special types of public assistance have helped in developing these programs. In January 1936, old-age assistance was provided in only three of the seven States in this region, and aid to the blind in only two. By 1935, when the social security law was passed, all seven States had mothers'-aid laws for the benefit of dependent children, but only Arizona had a State-wide program. The acute need that existed among these groups is shown by the fact that, over the decade, the number of people receiving old-age assistance or aid to the blind has increased approximately tenfold, and the number of families receiving aid to dependent children is nearly 20 times greater than at the beginning of the decade. Actually the growth in the number of aged and children receiving public aid is not as great as these figures suggest, for undoubtedly many of the people now receiving special types of assistance were aided under the State emergency relief administrations of the early 1930's. During the decade, average monthly payments also have

Table 2.—Public assistance: Selected data for seven Southwestern States and seven industrial States

State	Recipients, June 1945				Average monthly payment, June 1945		Expenditures per inhabitant from Federal, State, and local funds, fiscal year 1944-45					State and local expenditures as percent of income payments, 1944			
	Old-age assistance		Aid to dependent children		Per recipient of old-age assistance	Per family receiving aid to dependent children	Total	Old-age assistance	Aid to dependent children	Aid to the blind	General assistance	Total	Three special types of public assistance	General assistance	
	Number	Rate per 1,000 population aged 65 and over	Families	Children											
				Number											Rate per 1,000 population under age 18
Total, United States.....	1 2,036,375	207	255,675	646,808	16	\$29.46	\$47.46	\$7.50	\$5.54	\$1.09	\$0.20	\$0.67	0.37	0.31	0.06
Total, 7 Southwestern States.....	357,786	382	40,503	98,742	20	-----	-----	9.98	8.28	1.10	.24	.36	.55	.51	.04
Arizona.....	9,435	349	1,419	4,087	18	38.55	39.52	10.35	7.63	1.14	.40	1.18	.62	.48	.14
Arkansas.....	27,906	287	4,885	12,044	18	17.99	28.69	4.77	3.46	.92	.17	.22	.38	.34	.04
Colorado.....	1 38,428	405	3,208	8,751	25	41.35	53.22	22.20	19.06	1.50	.20	1.44	1.25	1.10	.15
Kansas.....	28,087	198	2,860	7,274	14	28.82	49.13	7.77	5.82	1.04	.24	.67	.40	.34	.06
New Mexico.....	5,843	253	2,542	6,862	32	31.81	38.56	7.34	4.42	2.21	.18	.53	.47	.42	.05
Oklahoma.....	78,275	517	14,793	35,433	47	29.27	34.16	16.82	13.29	2.93	.35	.25	.90	.87	.03
Texas.....	169,812	440	11,096	24,291	11	23.90	20.80	7.95	7.22	.43	.21	.09	.41	.40	.01
Total, 7 industrial States.....	138,627	120	17,541	44,919	12	-----	-----	6.52	4.62	1.02	.08	.80	.29	.23	.06
Connecticut.....	13,878	94	2,017	5,123	10	36.73	77.39	5.00	3.40	.99	.04	.57	.20	.16	.04
Delaware.....	1,297	57	271	779	10	15.84	67.88	2.02	.93	.73	-----	.36	.09	.07	.02
Maryland.....	11,556	84	2,875	8,254	13	27.77	37.53	3.53	1.92	.62	.08	.91	.16	.10	.06
Massachusetts.....	74,561	185	7,161	17,632	15	42.76	80.32	12.20	9.24	1.63	.12	1.21	.58	.49	.09
New Hampshire.....	6,545	134	745	1,844	13	30.03	68.37	7.34	5.05	1.16	.21	.92	.48	.36	.12
New Jersey.....	23,876	71	3,238	8,087	7	31.74	58.52	3.15	2.15	.55	.05	.40	.13	.10	.03
Rhode Island.....	7,214	116	1,234	3,200	15	33.67	67.85	6.59	4.10	1.34	.05	1.10	.29	.21	.08

1 Excludes 2,020 recipients in Colorado 60-65 years of age.

risen substantially—from about \$13 to \$29 a month for old-age assistance and aid to the blind, and from \$11 to almost \$35 a month for families receiving aid to dependent children.

Differences in State Programs and Expenditures

This is the over-all picture. I need hardly emphasize that the public assistance programs have developed unevenly from State to State. Moreover, within some States, there is a lack of balance among the several public assistance programs. Arkansas and New Mexico, for example, assist between a quarter and a third of their aged population, while Oklahoma gives assistance to more than half, and Texas, to about 45 percent of its old people (table 2). Since Arkansas and New Mexico rank lower than Oklahoma and Texas in per capita income, recipient rates in Arkansas and New Mexico might reasonably be expected to be at least as high as in those States. In aid to dependent children, the number of children aided per 1,000 children under age 18 in the total population ranges from 11 in Texas to 47 in Oklahoma, a difference of more than 4 to 1. The differences

among the seven States in average monthly payments are also greater than can be explained in terms of State differences in living costs and in recipients' resources other than their assistance payments. Average payments for old-age assistance range from about \$18 a month in Arkansas to \$41 in Colorado, and for aid to dependent children, from \$21 a month per family in Texas to \$53 in Colorado.

In most of the Southwestern States, the funds available for public assistance are very limited. Legislatures face the difficult problem of determining how much should be appropriated for each program. Then, if the appropriation is not enough, administrators usually must decide whether to lower the standards of aid and assist all needy people or to keep to minimum standards and give nothing to some people who are in as much need as those already receiving aid. Decisions on these basic questions differ from State to State and largely cause the wide differences in the State programs.

General Assistance

The program that has been most inadequately financed in all parts of

the country, and particularly in the Southwest, is general assistance. While this region spent nearly twice as much per inhabitant for old-age assistance as the seven industrial States, your expenditure per inhabitant for general assistance was less than half as much as theirs. Here again the over-all picture conceals wide variations among the seven States in this region. Expenditures for general assistance in the last fiscal year ranged from less than 10 cents per inhabitant in Texas, where the localities carry the entire financial burden, to \$1.44 in Colorado, where both State and local funds support the program. In relation to its total population, Colorado spends 16 times as much as Texas for general assistance and about 7 times as much as Arkansas or Oklahoma. For needy people who are ineligible for the special types of public assistance because of their age or because of their need or for other reasons, for people who are ineligible for social insurance benefits, and for those whose assistance or benefits fall short of meeting their needs, the general assistance program is the last—and often the only—resort.

The Southwest's Stake in Strengthening the Assistance Programs

In considering what can be done to strengthen the public assistance programs in the Southwest States, a few major facts must be kept in mind. One is that per capita income in all these States is below the average for the country as a whole; in several, it is much below the national average. Therefore, need is relatively greater than in many other States, and resources for meeting need are more limited. The second fact is that, in relation to total income payments in the State, State and local expenditures for public assistance in 1944 in all your States were above the average for the country as a whole. The increase in State and local tax revenues that would be required to raise assistance standards in the Southwest under all four public assistance programs to a level comparable to that in more prosperous States would place a disproportionately heavy burden on your resources.

Federal legislative changes.—To strengthen the public assistance programs in all States, but particularly in low-income States, where the inadequacies are most acute, the Social Security Board has recommended three major changes in Federal legislation: special Federal aid to low-income States, Federal participation in the costs of general assistance, and the use of Federal funds to help provide medical care. The extent to which the Southwestern States would benefit from these changes in legislation would, of course, depend on the particular provisions of the law enacted and on the extent to which a State used its opportunities to obtain Federal funds.

For example, a bill now before Congress, sponsored by the American Public Welfare Association, would provide for Federal participation in general assistance and special Federal aid to low-income States for both the special types of public assistance and general assistance. Under this bill, the States represented here would have received \$114 million in Federal funds, in contrast to the \$61 million they received in 1943-44. Thus if they spent \$69 million from State and local funds, as in 1943-44, they would have

had in all \$183 million for old-age assistance, aid to dependent children, aid to the blind, and general assistance, instead of the \$130 million they actually had in 1943-44. Federal expenditures per inhabitant in these States would almost double, and the total expenditures per inhabitant from Federal, State, and local funds combined would rise from about \$9.50 to more than \$13. Federal funds would meet about 62 percent of the public assistance bill in this group of States in contrast to the 47 percent in 1943-44. For the individual States in this region the Federal share would range from 53 percent in Colorado to 75 percent in Arkansas.

I need hardly explain to this group the practical limitation on the use of Federal funds to provide medical care under the present public assistance provisions of the Social Security Act. The Board is fully aware of the difficulties you have encountered and believes that we need a more flexible method for sharing medical costs. Accordingly, it has recommended that matching Federal funds be available for direct payments by the assistance agency to doctors, hospitals, and other health agencies that furnish care to needy persons.

Improving personnel standards and administration.—Besides these legislative changes, is there anything that can be done to strengthen the public assistance programs in the Southwest and elsewhere? I think there is. State public welfare agencies have been up against the same sorts of difficulties as we have had in the Federal Government during the war. They have lost many good people, whom they had to replace, when replacements could be found at all, with less well-qualified employees. In some cases it may have been necessary to upgrade people into jobs beyond their capacities, and now or soon the difficult decisions as to when and how the necessary staff adjustments will be made will have to be faced.

In the demobilization of the armed forces, many millions of young people will return to the competitive labor market. In the Federal Government and in most of the States, these veterans will have preferential rights to employment in the public service. As public administrators we will

probably not see a comparable time in our lives when the opportunities for restaffing the agencies of government will be better or more promising for the public good. This period of transition from an abnormal wartime situation is a natural one for return to more normal personnel practices, with frequent examinations promising permanent tenure.

If the present trend toward veterans' preference legislation continues, and I see no reason why it should not, we can be sure that an increasingly large percentage of public employees will be veterans. Upon our efforts during the next 6 months or the next year or two will largely depend the quality of public welfare administration during this generation. If we can do well, within our own resources, what needs to be done by way of improving the public attitude toward government and career service in government, if we can attract from among the veterans those who are best qualified to serve the public, we can expect a higher order of service to the people for whose benefit the laws which we administer were devised. Welfare agencies with their wide community contacts are particularly well-equipped to do an active and affirmative job of recruitment—of attracting the better veterans to public service. If this job is not done and done promptly and if examinations do not follow soon, many of the best of the veterans will have found other employment and thus will be lost to the public service.

In my opinion, much can be done now and in the immediate future to improve and strengthen the public assistance programs. We all have to work through people in doing what needs to be done. A better job of personnel administration will go far toward improving our programs. Better recruitment practices are only a part; simpler and better classification plans, more adequate salaries, adaptation and use of modern testing techniques in choosing people, better methods of teaching them how to do their jobs, fair, objective, and impartial methods of measuring the effectiveness of service, an orderly system of promotions, and better supervisory practices are other requisites of good personnel administration.

We cannot serve the people well through our own efforts alone. We cannot discharge our responsibilities as public administrators without the assistance of good people. We cannot hope to staff our agencies with good people unless we have adequate standards. We cannot content ourselves with selecting the "best of the worst." We must attract good people if we are going to be able to hire them. We must be able to choose the most competent among those who offer themselves for public service, and we must be able to equip them by training, not only for the sake of the public but for the sake of the employees themselves, to do an adequate and satisfactory job. If we attract, choose, and train good people but then lose them because we do not give them a sense of security in their jobs or a hope for advancement based upon quality of performance, we may

later find ourselves in as bad a fix as we were when we started off.

The Decade Ahead

Amendments to the public assistance titles of the Social Security Act would be of immediate benefit to the States in this region. In the long run, however, universal coverage under the insurance system and expansion of the social insurances to include health insurance and protection against temporary and permanent disability undoubtedly would provide a greater measure of social security to the people of the Southwest. Adoption of the Board's recommendation of the inclusion of insurance against wage loss due to disability would relieve the States of a large part of the cost of general relief and would cut down needs for the special types of assistance. Fortunately we are not faced with an either-or proposition. We

can—and I hope we will—have improvements in both the assistance and insurance programs early in this second decade of social security administration.

If we can look forward to as great progress in social security during the coming 10 years as we have seen during the last 10, and I think we can, we should enter this new period with hope and enthusiasm. The plans that are being put into effect in most of the other countries of the world illustrate, I believe, a universal demand for the achievement of our common aspiration for security. The attitudes of the people of this country have undergone a remarkable change during the brief period of social security administration here. Legislative changes may come more slowly here than some of us think desirable, but that they will come I have no doubt.

Need for a National Health Program: Excerpts From Testimony Presented Before the Senate Committee on Education and Labor

The Senate Committee on Education and Labor opened on April 2 comprehensive hearings on the National Health Act of 1945 (S. 1606). The following pages summarize statements presented to the Committee by the Federal Security Administrator, the Chief of the States Relations Division of the U. S. Public Health Service, and the Chairman of the Social Security Board.

ON NOVEMBER 19, 1945, President Truman transmitted to Congress his message on a national health program,¹ with the recommendation that "the Congress adopt a comprehensive and modern health program for the Nation." Immediately afterward, S. 1606, the National Health Act of 1945, proposing a program "along the lines set forth by the President," was introduced by Senator Wagner, for himself and Senator Murray. A companion bill, H. R. 4730, was introduced in the House by Representative Dingell. In a report on the bill (Senate Committee Print No. 1, November 26), Senator Wagner summarized its major provi-

sions: broadening and increasing the present Federal grants-in-aid to the States for public health services, to speed up the progress of preventive and community-wide health services; a similar increase in the community-wide maternal and child health services which are aided by Federal grants to the States; authorization of Federal grants to States for meeting the costs of medical care for needy persons; prepaid personal health service benefits, based on need for services rather than on ability to pay; and, in connection with the provision of prepaid medical care, grants-in-aid to non-profit institutions engaging in research or professional education.

The Senate bill was referred to the Committee on Education and Labor,

which began hearings on the bill on April 2. On April 3, Watson B. Miller, Federal Security Administrator, told the Committee that, individually and as spokesman for the Agency, he stood squarely behind the national health program, which he characterized as necessary, practical, and long overdue. The program, as outlined by President Truman and as proposed in S. 1606, appeared complex, he said, because it was necessarily comprehensive, covering the entire Nation and dealing "with an aspect of our common welfare in which our day-to-day practice has lagged far behind our standards, our knowledge, and our resources." In reality, he asserted, the basic issue is simple. "The health of the people is the strength of the Nation. Health protection, for himself and his family, is implicit in the guarantees which the American democracy makes to every citizen. As a fundamental need of all the people, health is a proper responsibility of the national Government, as of the State and local governments. To help meet this need, Government has a twofold task—first, to provide, insofar as possible, a healthful environment, to see that the communities in which people live are free from the needless threat of disease-breeding hazards; second, to assure to every individual safeguards against the

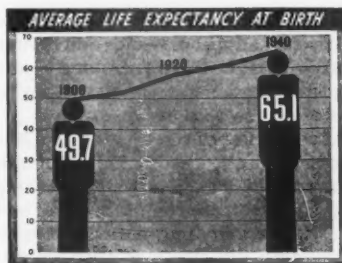
¹ See the *Bulletin*, December 1945, pp. 7-12.

manifold and universal disasters which illness may entail."

The measures proposed in the bill under discussion are "the core of such a program," Mr. Miller declared, "but they can be considered in their true proportion only as we bear constantly in mind their integral relationship with other segments of the over-all plan . . . embodied in other measures now before the Congress—the hospital construction bill, the mental health bill, and the provisions for compensating against wage loss resulting from temporary or permanent disability."

As other representatives of the Federal Security Agency, Dr. Joseph W. Mountin, Chief of the States Relations Division of the U. S. Public Health Service, presented his statement on April 3, and Arthur J. Altmeyer, Chairman of the Social Security Board, testified the following day. Mr. Altmeyer explained that the Board's interest in national health "is fundamental to its responsibility under law for administering social security programs and for 'studying and making recommendations as to the most effective methods of providing economic security through social insurance. . . ' Health is basic to the security of the men, women, and children—the families—of America. Sickness and premature death are among the most important causes of insecurity. . . Protection against the costs and the losses that follow upon sickness is an integral part of social security."

The proposed program has the endorsement of the Public Health Service, Dr. Mountin told the Committee, because it is "designed not only to strengthen present programs, but to supply the missing link of personal health services." Its "fundamental premise is that ready access to health service and medical care is not a luxury to be bought only by those who can pay, but the right of every American—wherever he may live and whatever he may earn. Unlike most previous health legislation proposals, therefore, this bill does not confine itself to a single facet of our national health problem. Instead, its sponsors have taken the broad measure of our health needs as a whole and have boldly proposed action designed to meet these needs. . .



"As the Federal agency primarily responsible for the protection and promotion of the Nation's health, the Public Health Service believes that public recognition of this goal of good health service for all our people is long overdue. We further believe that this goal is within our power as a Nation to achieve as soon as a program is adopted which is based on a forthright appraisal of needs."

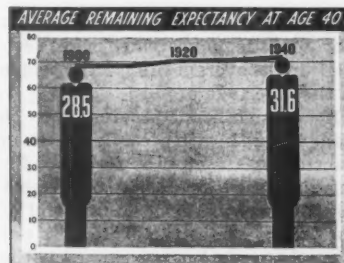
National Health Needs

"All of us—laymen and medical men alike," Dr. Mountin continued, "derive a large measure of satisfaction from reviewing the progress made to date in the battle against disease and preventable death.² Through the combined efforts of scientists, medical practitioners and public health officials, the average life expectancy at birth has been steadily extended from 49.7 years in 1900 to 65.1 years today . . . we all have reason to be proud of these accomplishments. But I am afraid many people are prone to assume that these favorable trends have some magic capacity to project themselves automatically into the future, and that time alone will extend the conquest of disease.

"Unfortunately . . . improvement in life expectancy at birth has not been paralleled by a corresponding improvement in the expectancy of persons who have reached the age of 40. In fact . . . the average life expectancy of most of us here today has increased very little over that of our grandfathers in 1900, even though babies born today have a much greater expectancy than those of us born around 1900.

"The age factor in life expectancy is particularly important when we re-

² The charts used here were prepared by the Public Health Service and presented at the Committee hearings.



call that our national population as a whole is becoming older. In 1900, 1 person in 25 was 65 years of age or older; today, 1 person in 15. By 1980, the ratio will be 1 to 10. At our present rate of progress, more babies will live to maturity, but the years of maturity will be extended only slightly, if at all. This conclusion is partly explained by a comparison of diseases which have already been brought under control with those for which the death rate is increasing."

Dr. Mountin cited the reduction and, in some cases, virtual elimination of certain diseases since 1900, largely as a result of new scientific knowledge applied through organized programs of mass prevention or treatment. Typhoid fever, diarrhea and enteritis, malaria, and yellow fever were conquered by environmental sanitation; diphtheria and smallpox by immunization; pellagra by nutrition; and tuberculosis is now being steadily overcome through programs for the early discovery, isolation, and treatment of the disease. It is largely through progress in control of such diseases that the life expectancy for people under 40 has been so strikingly improved.

On the other side of the ledger, he pointed out, are diseases which are accounting for an ever increasing number of deaths. The death rate from cancer in 1943 was almost double that of 1900. More than twice as many people died from diabetes in 1943 as at the turn of the century. Despite the great progress made in many fields of medical science, 23 persons in 1943 succumbed to heart disease to every 10 in 1900. In addition, arthritis, rheumatic fever, peptic ulcer, hypertension, and nephritis continue to take a heavy toll in disability or death.

The increasing death rate for these diseases, most of which strike men and women in the peak productive

years of life, is the principal reason why so little improvement has been made in the average life span of people in the older age groups.

If any significant progress is to be made in this health area, Dr. Mountin asserted, means must be developed for ensuring the application of present scientific knowledge to the control of diseases of maturity. This does not mean, however, that we can apply the traditional public health techniques of control to this disease category. Unless medical research reveals some new methods of attack—and probably even then—the only effective means of helping the victims of these diseases is to provide them with adequate medical care through full personal health services. Even without specific preventive measures, much can be done to reduce the severity of these diseases and their disabling effects by ensuring that their victims could have the full benefits of present medical knowledge and skills. Early diagnosis and treatment would in many cases prevent serious developments, and in every case would at least minimize or postpone the disabling effects of these diseases.

He did not want to give the impression, Dr. Mountin continued, that the need for a medical care program is based entirely on the health needs of people over 40 years of age. Rheumatic fever, for example, remains a major health hazard of the young. So do appendicitis, pneumonia, and poliomyelitis. It is only through the provision of adequate medical care on an individual basis that it will be possible to reduce the harmful effects of

these diseases. Adequate medical care for all people—old and young alike—must be the cornerstone of any program designed to meet the health needs of the Nation.

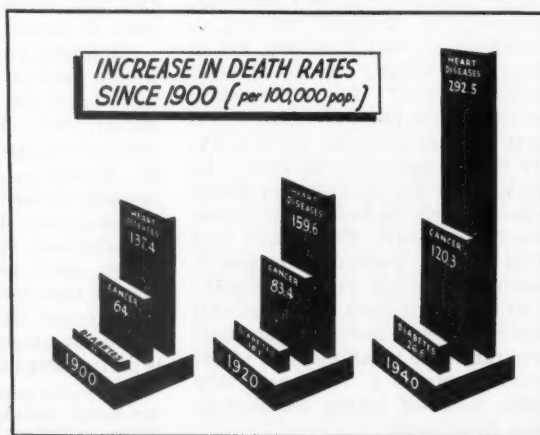
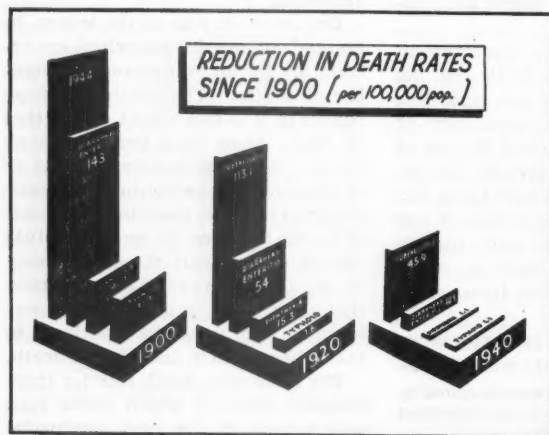
Even this brief review of the Nation's health needs, Dr. Mountin pointed out, should serve to illustrate the need for a comprehensive and closely coordinated national health program. No single method or approach will do the job. Great medical advances have been made through scientific research, but scientific discoveries must be brought to all those who need them before they can be completely effective. It has been proved that mass attacks through traditional public health techniques can reduce some diseases to insignificant proportions. But such programs still leave a broadening sector of the disease front to be attacked through improved medical care—by personal health services as contrasted with mass services. Unless we solve the basic problem of providing adequate medical services for all who need them, the effectiveness of preventive health services, of research and education, and indeed of widespread hospital and health center construction contemplated under other legislation, will be limited.

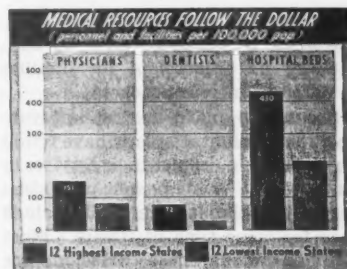
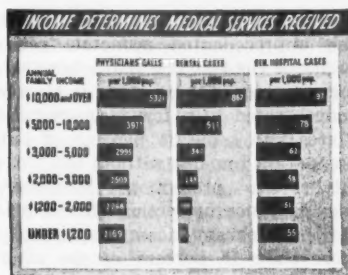
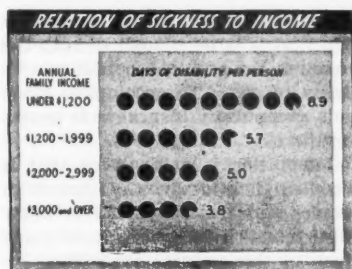
Barriers to Adequate Medical Care

We must face the fact, Dr. Mountin continued, that a highly inequitable cash barrier now keeps medical care from millions of our citizens. Despite the frequently unrewarded service of physicians to the poor and the excellent provisions of many public

welfare medical programs, the private family-by-family system of paying for medical services means that, on the whole, only those services can be obtained which the family is, at the time, in a position to pay for. As a result, we find that medical services received bear only a casual relationship to health needs. The lowest income groups, among whom illness occurs with greatest frequency and longest duration, actually receive the smallest volume of medical services. It has been stated that "the rich and the poor get adequate medical care and only the middle income group suffers." Nation-wide studies conducted under the technical supervision of the Public Health Service do not bear this out. They show that medical services follow the call of the dollar sign with unfaltering consistency, while disease and disability strike in the opposite direction. As measured in terms of days of disability, the burden of illness falls most heavily on persons in the lower income categories. But, although their needs are the greatest, persons with low incomes do not receive their share of medical services. In fact, the benefits of doctors' and dentists' services, as well as hospital care, depend upon the income of those who are in need of care. In other words, medical care in the United States today is a matter of being able to pay the price.

Much of the difficulty in obtaining needed medical care, Dr. Mountin continued, is related not merely to inadequate income, but to the inability of an individual or family to budget for medical costs. In all in-





come groups, medical costs strike highly unevenly. In any one year, medical expenses appear to constitute no overwhelming problem to a majority of families; an unfortunate minority, however, are crippled with high medical costs. In which group any family will fall cannot be told at the beginning of a year. It is, therefore, practically impossible to budget on a family basis.

Another unfortunate consequence of this relationship between purchasing power and medical services is the serious maldistribution of medical resources among different sections and communities. In other words, people who live in areas of high average income have more medical personnel and facilities to serve them than the people who live in low-income areas.

Because service has depended primarily on individual or family ability to pay, it has been natural and inevitable for physicians to settle in areas where local purchasing power has been most ample, where their skills could be most fully utilized and they could make the best living. The same has applied to dentists and other health service personnel. The maldistribution of medical resources has been especially pronounced between the cities, with their higher average income levels, and the rural areas, with their lower average income levels. As the costs of medical care or, put in another way, the costs of financing the skills of physicians, have risen, this maldistribution has grown increasingly more severe. Hundreds of counties throughout our country today are supplied so poorly with doctors that millions of people in them are simply unable to get medical attention in time of need. What is more, there are no signs of improvement, and the pattern of settlement being elected by thousands of physicians and dentists leaving the armed

services is serving further to exaggerate present disproportions. There seems to be no prospect of solution of this crisis facing rural areas, unless steps are taken toward equalizing the financial support for medical services in all parts of the Nation.

Likewise, there has been a natural tendency to build hospitals in areas where they can be best utilized and financially maintained. As a result the disproportions in the supply of hospital beds between areas are no less severe than those relating to physicians. Other legislation receiving the attention of the Congress is designed to correct some of these deficiencies, but it is clear that—no matter how many structures may be built—hospital services cannot be made available to people in relation to their needs without a pooling of resources.

On a Nation-wide basis, Dr. Mountin declared, the costs of medical care would be related to ability to pay, and services would be provided in accordance with health needs. Administrative costs would be lower; payments for professional services would be more ample. There would be equitable spreading of funds between areas of varying wealth. Rural sections, with their generally lower income levels and their greater medical care needs, would be particularly benefited. The scope of health services would be considerably broader and the quality more uniformly high.

Passage of a national health bill would not, of course, create adequate medical care for all persons overnight. It would, however, make immediately accessible to all insured persons the medical personnel and facilities at hand in their communities. More important, the medical services furnished an individual would be determined by his need of them and not by his bank balance.

Moreover, such a program would go a long way to encourage a better distribution of physicians and dentists around the Nation. Existing institutions as well as institutions to be built under the proposed national hospital construction program would be assured of proper financial maintenance. Medical and allied personnel would no longer have to concentrate in larger cities to make a living, and the people of our great rural districts would become supplied with their fair share of doctors and other health workers.

Experience With Voluntary Plans

Both Mr. Altmeyer and Dr. Mountin discussed experience in attempting to meet medical care problems through voluntary prepayment plans. "The crucial test of a health insurance program," Mr. Altmeyer pointed out, "is not its good intentions, but the population coverage it achieves and the scope of protection it furnishes." The limitations of the voluntary approach were summarized by Dr. Mountin as follows:

Voluntary insurance plans in this country vary considerably as to the form of benefits provided to their members. Some reimburse the patient in cash for all or part of specified medical expenses; others provide benefits in the form of direct services. The scope of benefits varies even more. Some plans cover hospital services only, while others include one or more categories of medical, dental, or nursing benefits. All contribute toward easing the economic burden of illness, but all suffer from numerous inherent shortcomings.

First of all, the premiums charged by voluntary plans for anything approaching comprehensive services are too high for persons in the lower income groups—the very persons needing protection most. With few excep-

tions, premiums or membership fees are based on scope of benefits, with little or no adjustment for families in different income brackets.

Second, to guard against unfavorable risks, voluntary plans have found it necessary to restrict their services in many ways. While benefit provisions vary from plan to plan, all exclude care for some type of illness. Most common among these exclusions are treatment of conditions which existed before enrollment, chronic sickness, maternity care during the first 10 months of membership, home calls, nursing care, and dental service. Thus, many vital health needs are not met through the services provided by voluntary plans.

Third, the development of voluntary health insurance plans on a community, county, or State basis tends to limit the scope and content of services in proportion to the average per capita wealth of that area. A voluntary prepayment plan developed in a poor rural community could never offer its members the range or quality of services of a plan developed in a wealthy metropolitan area. Voluntary plans provide no mechanism for equalizing the capacity of different areas to support necessary medical services.

Fourth, because of their small-unit operation and the recurring task of "selling" plan memberships, most voluntary plans incur relatively high administrative costs.

These contentions are not mere theory, Dr. Mountin continued. We may look at the actual record of voluntary health insurance in the United States and abroad. In practically every other industrialized nation, the development of voluntary health insurance plans has served as a prelude to the establishment of compulsory insurance programs—not because the voluntary plans did not perform a useful function, but because they did not perform service of sufficient scope for enough people and for those who need service most.

In the United States, he declared, the most successful application of the insurance principle has been with respect to hospitalization. From its beginning 17 or 18 years ago, the most extensive group hospitalization movement has grown rapidly to cover

about 20 million persons. Despite the unprecedented economic prosperity of the last few years, however, membership in these plans is largely concentrated in a few industrialized States and some 85 percent of our population remains without this hospitalization protection. Moreover, the insurance protection offered under this program encompasses hardly more than 15 percent of the total medical care bill of the average American family.

As for comprehensive medical care insurance, experience in this country so far gives even less reason to be sanguine for a significant future expansion. Despite a history that dates back to the nineteenth century, insurance for anything approaching general medical and hospital services—rarely indeed including dental care, home nursing, or other special items—encompasses less than 3 percent of our national population.

All these considerations, Dr. Mountin declared, have led the Public Health Service to the conclusion that only a Nation-wide program of medical care, under official auspices, holds the promise of assuring adequate medical care for all the people.²

Compulsory Insurance

The greatest value of voluntary health insurance, Mr. Altmeyer told the Committee, has been the experience gained in learning how to operate compulsory prepayment plans. By a study of the accomplishments of voluntary insurance and the difficulties it has encountered, a program can be worked out which can succeed where voluntary plans have failed.

The principal reason why voluntary programs have not succeeded, and cannot succeed, is economic. Unless adequate funds are available, no program can adequately extend either its membership or the scope of its services.

A comprehensive health insurance program must rest on a method of financing which makes it possible for the family to budget the costs without having to deny itself the essentials of everyday living. The costs must

also be distributed among a membership that is large enough to keep the premium low and in accordance with ability to pay. To accomplish these ends, compulsory insurance is necessary.

Compulsion is not a word that is accepted lightly by the American people, and the opponents of compulsory health insurance have made much of this natural antipathy.

The American Medical Association and other organizations favoring the present inadequate voluntary plans or sponsoring new voluntary insurance programs have implied that a compulsory system of health insurance would result in regimentation and a form of totalitarianism which is not in keeping with the principles expressed in our Constitution and in the Bill of Rights. However, it might be pointed out that voluntary insurance, as advocated by the American Medical Association, is anything but democratic. The AMA recommends a series of voluntary plans, to be run by the medical societies. No mention is made of other associations or of public participation in the organization of these plans, in the control of the funds which the public will have to pay, in the formulation of the standards the plans will observe, or in their administration. The Association violates the first principle of democracy—the right of the public to participate—to say nothing of the right of the public to control public enterprise essential to the welfare of the public.

In contrast, under compulsory health insurance, financing and administration would be determined by representatives of the public—using the advice and the skills of professional groups on professional matters. That may be why the public attitude toward health insurance as a part of a system of social insurance is so favorable, as evidenced by many polls of public opinion. The Gallup Poll of 1943 showed 59 percent of the persons canvassed in favor of a compulsory health insurance plan. A public poll was taken a few months ago for and at the expense of the National Physicians' Committee, the spearhead organization attacking the bill we are discussing. That poll showed that 64 percent of the people prefer a prepayment method for meeting med-

² See also the conclusions and recommendations contained in a report on the Department of Agriculture's experimental rural health program, pages 40-43 of this issue.

ical costs and that 55 percent think a Federal plan would be a "good thing for the Nation as a whole." In January of this year, a poll taken throughout New York State by the New York State Commission on Medical Care showed that 86 percent of those questioned favor an insurance system and 52 percent favor a compulsory governmental system. In the District of Columbia, according to a survey made a few months ago by the *Washington Post*, an overwhelming majority—70 percent—of the residents favor President Truman's proposals for a compulsory health insurance program.

Mr. Altmeyer also spoke of the increasingly strong public support for compulsory health insurance which, he believes, is based in large measure on a recognition of the responsibility of a democratic government to assure that the health of the people is safeguarded and improved to the utmost extent that medical science and our resources make possible.

Government already carries large responsibilities for health and medical services. In 1944, governmental expenditures—Federal, State, and local—exclusive of medical care for the armed forces, totaled nearly a billion dollars, or one-fifth of all the expenditures for health and medical care in the United States.

It should also be noted that this country already has in effect a system of compulsory health insurance covering the cost of medical care for work-connected disabilities—namely, workmen's compensation. General health insurance merely extends the principle to include disability not arising out of employment.

Thus it is apparent that the question before us is not whether the Government should assume responsibility for protecting and promoting the health of the people, but rather how much further the Government should go in meeting that responsibility.

A National System of Health Insurance

In discussing a national system of health insurance, Mr. Altmeyer stressed the fact that, to be adequate and successful, health insurance must make it possible for everybody to have ready access to adequate medical care,

both preventive and curative. If this cannot be achieved from the outset, the program that is adopted should lend itself to growth, with national coverage as the goal. To the greatest extent practicable, care should be provided for the dependents of insured workers on the same basis as for the worker. As far as practicable, the insurance program should be extended by supplementary agreements or otherwise to cover all noninsured groups who are in need of protection. All existing medical personnel and facilities meeting reasonable standards that wish to participate should be utilized to the maximum degree, and the remuneration for services should be adequate. The quality of service must not be sacrificed to economy. Both physician and patient should be assured freedom of choice. Professional groups, as well as the public, should participate in determining policies. Adequate provisions should also be made to stimulate professional education, research, and the prevention of disease and disability.

A program of this scope will require sufficient medical personnel and facilities to provide comprehensive services, and these must be located throughout the country in a manner which will make services available to everyone. The program will have to encourage the training of needed personnel and the construction of needed facilities. The cost of such a program must be broadly distributed over groups in the population. The system must be so designed as to provide benefits to the insured regardless of his individual ability to pay and where he is residing at the time he is in need of services.

These, Mr. Altmeyer declared, are the main criteria by which an American plan for prepayment of medical costs should be judged.

To achieve the goals, a national health insurance system has many advantages over 51 State and Territorial systems—such as may result from State-by-State action. A national system would encourage better distribution of professional personnel among the States as well as within States, and the construction of needed facilities. It would avoid the problems that result from the grossly unequal economic resources of the States for the support of health serv-

ices, so that at least a minimum standard of adequacy can be achieved within a reasonable period of time in all States and in all communities. It would assure maintenance of continuity of insurance protection and ready access to services despite the mobility of population across State lines. It would achieve the administrative economy that results from avoiding the need to maintain and identify separate State-by-State records for such persons. It would be freely able to use natural medical and hospital service areas, regardless of State lines. It would escape the competitive disadvantages for States that establish social insurance systems as against States that do not.

Every State that has considered the establishment of a social insurance system has shown itself reluctant to act by itself. The Congress faced this problem in 1935 when it was first considering the original Social Security Act; and it concluded at that time that Federal action was needed to set up a national system of social insurance and to make State action possible for the establishment of State systems.

The logical, the efficient, and the economical way to have a national system of compulsory health insurance is to establish a truly national system.

Mr. Altmeyer pointed out that a national health insurance system with national benefit provisions can still be highly decentralized in actual operation. People will ordinarily receive care in the communities where they live; doctors will ordinarily find it most convenient to submit their bills to a local health insurance office. Provision should be made—and under the bill, can be made—for the maximum possible adaptation to local practices and methods of obtaining service, within the over-all standards of the national program.

He also expressed cordial agreement with proposals for the use of advisory councils, including representation of the public and the medical profession, "at every level of administration." It is sound to call upon the medical profession for advice on policy matters relating to the administration of the program. Representa-

(Continued on page 31)

Employment Security

Unemployment Claims and Benefits

State Programs

The settlement of the automobile industry's labor dispute, which affected workers in several States and also in plants engaged in manufacturing automotive parts, and the termination of the electrical dispute in some localities during March gave impetus to reconversion throughout the Nation.

For the first time since April 1945 there was a decline in the average weekly number of persons drawing unemployment benefits. Some 1.6 million persons, on the average, received a benefit check each week during the month, about 55,000 fewer than in February. The average weekly number of ex-servicemen receiving veterans' readjustment allowance checks, on the other hand, rose from 1.1 million to 1.5 million. During the week ended March 30, the number of veterans receiving allowances exceeded the number of compensable claims filed in State unemployment compensation agencies.

In the country as a whole, initial claims declined for the second successive month, from 946,000 to 774,000, although 8 States reported increases as compared with only 1 State in February. Pennsylvania was responsible for about half the March decline.

The rise from 7.3 million to 7.5 million in the total number of continued claims filed was due partly to the fact that March had 3 more reporting days than February but mainly to the rise of 308,400 in claims in Pennsylvania, where workers involved in a labor dispute who had completed their disqualification period began drawing benefits. New Jersey and Ohio, on the other hand, each reported declines of more than 80,000 in continued claims. Compensable claims, which reached a new high of 1,785,400 during the week ended March 2, declined each week thereafter to 1,594,000 during the week ended March 30. Waiting-period claims did not decline as steadily but dropped from 144,000 to 117,700 in the same period.

Unemployment during the week

ended March 9, as represented by the ratio of continued claims to average monthly covered employment in 1945, was 6.8 percent. This ratio exceeded 10 percent in seven States, reaching 12.0 percent in California and 13.7 percent in Oregon. In the District of Columbia, North Carolina, South Carolina, and Wyoming, the ratio was 2.1 percent or less.

The method of computing the ratio of claimants to covered workers has been changed. The new series of data, which are shown in table 6 with figures for earlier months recomputed, represents the ratio of unemployment during the week including the eighth of each month, as reflected by claims filed for unemployment insurance, to average monthly covered employment. The week of the eighth is chosen because it is the week for which the Bureau of the Census publishes national estimates of unemployment.

The new series uses continued claims alone, instead of the total of initial and continued claims, as a more accurate measurement of unemployment reflected by all claims filed for unemployment insurance. Initial claims filed during a given week generally represent unemployment during that week, while continued claims filed during that week generally represent unemployment during an earlier period; thus the two types of claims cannot logically be combined for the same week. Nor should initial claims filed during one

week and continued claims filed during the next be combined, since an individual who files an initial claim during a given week and who remains unemployed generally files a continued claim in the following week and would thus be counted twice. The use of continued claims by themselves, on the other hand, understates the total amount of unemployment reflected in claims filed for unemployment insurance.

The ratio of additional claims to all initial claims rose during February and March. Twenty-nine percent of all initial claims in March were filed by persons entering a second or subsequent spell of unemployment during their benefit year. The highest proportions, 42 and 38 percent, were in New York and Missouri, while in seven States the proportion was less than 10 percent.

More than half the initial claims received in New Mexico, Nevada, and South Dakota were interstate claims received as agent State from workers who had earned their wage credits outside these States. In South Dakota the proportion was 92 percent. Continued interstate claims received as agent State comprised more than half the total in seven States. The proportions in New Mexico and South Dakota were highest, with 78 and 98 percent, respectively. The proportion was less than 5 percent in six States, including the leading industrial States of Michigan, New Jersey, and New York.

Benefit payments totaled \$126 million during the month, \$5 million more than in February. For the quarter ended March 31, net benefits were

Table 1.—Summary of unemployment compensation operations, March 1946

Item	Number or amount	Amount of change from—	
		February 1946	March 1945
Initial claims.....	1 774,000	-172,000	+657,000
Continued claims.....	1 7,469,000	+142,000	+6,926,000
Weeks compensated.....	2 6,815,000	+302,000	+6,368,000
First payments ¹	382,531	+53,439	+346,212
Exhaustions ²	200,742	+39,975	+188,368
Weekly average beneficiaries.....	2 1,573,000	-55,000	+1,470,000
Benefits paid ³	2 \$126,000,000	+\$5,000,000	+\$118,758,000
Benefits paid since first payable ⁴	\$3,001,318,711		
Funds available as of Mar. 31 ⁵	\$6,778,417,547	-\$72,871,908	+\$433,461,084

¹ Includes estimates for Rhode Island.

² Includes estimates for California, District of Columbia, Idaho, Indiana, Minnesota, Nebraska, Ohio, and Rhode Island.

³ Excludes first payments and exhaustions for California, District of Columbia, Idaho, Indiana, Minnesota, Nebraska, Ohio, and Rhode Island, and first payments for New Mexico; data not reported.

⁴ Excludes Arkansas; data not reported for February.

⁵ Excludes Wisconsin, data not comparable.

⁶ Gross: not adjusted for voided benefit checks and transfers under interstate combined wage plan.

⁷ Net: adjusted for voided benefit checks and interstate combined wage plan. Includes estimates for California and Maine for March 1946.

⁸ Includes California and Maine as of Feb. 28, 1946.

\$381 million while collections and interest amounted to \$227 million.¹ As a result, funds available for benefit payments declined from \$6,914 million

¹ Excludes March collections and interest for California and Maine.

at the end of December 1945 to \$6,778 million¹ on March 31, 1946. Benefits for the quarter exceeded collections in 29 States. The ratio of benefits to collections was more than 3 to 1 in Alabama, Delaware, Maryland, Okla-

homa, and Oregon. In the preceding quarter, benefits exceeded collections in only 16 States and Alabama's ratio was the only one which was as much as 3 to 1.

Region I.—Initial and continued

Table 2.—Initial claims received in local offices, by State, March 1946

[Corrected to Apr. 15, 1946]

Social Security Board region and State	Total ¹				New	
	All claimants	Amount of change from—		Women claimants	Inter-state as percent of total	All claimants
		February 1946	March 1946			
Total ²	774,000	-172,000	+657,000			
Region I:						
Conn.	11,246	-8,933	+8,741	4,146	4.9	7,227
Maine	5,465	+1,906	+4,563	1,657	3.5	4,835
Mass.	22,598	-4,693	+17,679	9,011	4.9	15,742
N. H.	1,238	-508	+999	463	22.7	869
R. I. ³						
Vt.	750	-11	+668	320	18.9	531
Region II-III:						
Del.	1,439	-505	+1,109	632	15.5	1,095
N. J.	36,066	-7,000	+29,120	14,086	3.8	24,185
N. Y.	144,522	+24,727	+125,971	(⁴)	3.1	84,281
Pa.	55,752	-86,311	+52,690	17,000	6.2	42,426
Region IV:						
D. C.	1,046	-249	+744	321	24.3	950
Md.	7,926	-3,593	+7,461	3,111	6.6	7,926
N. C.	8,022	+1,657	+6,903	4,976	11.1	6,985
Va.	5,668	-644	+5,405	2,809	16.8	5,171
W. Va.	10,201	-2,992	+8,476	2,125	17.3	8,663
Region V:						
Ky.	10,126	-1,354	+7,524	2,836	34.0	8,754
Mich.	49,106	-16,618	+34,810	16,973	3.9	36,165
Ohio	29,429	-12,428	+27,014	9,387	5.7	29,429
Region VI:						
Ill.	41,845	-13,771	+29,514	14,822	6.9	29,378
Ind.	30,608	-2,713	+26,262	9,179	3.1	20,391
Wis. ⁴	7,911	-2,340	+6,942	2,560	6.6	6,476
Region VII:						
Ala.	9,811	-1,851	+8,911	3,414	13.3	8,312
Fla.	5,822	-432	+4,869	1,807	31.0	4,861
Ga.	7,302	+729	+6,056	3,008	10.5	5,377
Miss.	3,890	-782	+2,625	1,059	39.2	2,769
S. C.	2,867	-948	+2,156	1,192	21.2	2,447
Tenn.	11,937	-1,257	+10,199	4,973	12.3	10,522
Region VIII:						
Iowa	4,117	-1,460	+3,600	1,638	20.2	3,369
Minn.	8,741	-5,946	+8,257	2,616	11.8	7,005
Nebr.	2,003	-453	+1,875	879	15.6	1,539
N. Dak.	581	-55	+560	202	47.7	522
S. Dak.	407	-38	+344	164	92.4	376
Region IX:						
Ark.	6,825	-1,104	+6,339	2,237	48.6	6,068
Kans.	7,312	-889	+6,871	2,929	23.8	5,512
Mo.	25,406	-3,279	+23,793	9,327	15.3	15,799
Okla.	9,622	-282	+9,056	3,075	29.0	7,941
Region X:						
La.	11,541	-3,070	+10,630	2,832	13.0	9,781
N. Mex.	1,106	+121	+1,059	285	60.5	1,035
Tex.	16,372	-3,515	+14,722	5,293	16.2	16,372
Region XI:						
Colo.	2,865	-365	+2,747	909	31.8	2,593
Idaho	1,425	-557	+1,269	474	37.8	1,227
Mont.	2,134	-472	+2,036	597	29.5	1,827
Utah	2,453	-1,083	+2,262	(⁴)	17.3	1,814
Wyo.	445	-160	+422	135	41.8	396
Region XII:						
Ariz.	3,433	+690	+3,180	969	36.1	3,025
Calif.	104,831	-4,827	+85,449	42,558	7.3	67,261
Nev.	1,008	+27	+948	454	55.8	908
Oreg.	10,877	-2,299	+9,058	3,760	11.0	8,135
Wash.	20,055	-2,935	+17,839	6,597	9.4	13,273
Territories:						
Alaska	141	+34	+48	37	13.5	102
Hawaii	70	-41	+68	10	15.7	66

¹ Includes additional claims except in Maryland, Ohio, and Texas, which have no provisions for filing such claims.

² Includes estimate for Rhode Island.

³ Data not available.

⁴ Since Wisconsin has no provision for a benefit year, a new claim is the first claim filed by a worker with respect to each period of total or part-total unemployment.

Table 3.—Continued claims received in local offices, by State, March 1946

[Corrected to Apr. 15, 1946]

Social Security Board region and State	Total ¹				Compensable	
	All claimants	Amount of change from—		Women claimants	Inter-state as percent of total	All claimants
		February 1946	March 1946			
Total ²	7,469,000	+142,000	+6,926,000			
Region I:						
Conn.	68,871	-12,892	+59,539	26,899	6.1	63,406
Maine	43,460	+3,824	+39,113	15,070	5.6	41,270
Mass.	191,971	-19,623	+177,458	69,357	5.6	179,530
N. H.	10,459	-113	+9,331	3,483	27.0	9,872
R. I. ³						
Vt.	6,973	-390	+6,498	3,305	22.4	6,374
Region II-III:						
Del.	16,041	-2,302	+14,848	5,745	17.6	15,270
N. J.	472,832	-84,344	+449,216	187,819	2.6	449,036
N. Y.	993,681	+2,429	+919,912	(⁴)	3.5	883,154
Pa.	830,362	+308,385	+809,802	210,888	4.6	736,414
Region IV:						
D. C.	9,117	+1,312	+6,071	2,053	18.5	8,420
Md.	106,739	-8,113	+109,668	38,716	2.4	106,739
N. C.	43,634	+6,097	+38,596	25,491	20.7	38,787
Va.	43,115	+7,622	+41,389	19,259	22.0	39,944
W. Va.	92,635	+2,103	+87,310	27,685	24.6	88,725
Region V:						
Ky.	109,492	+10,436	+100,716	37,432	45.6	104,418
Mich.	475,185	+20,673	+407,721	134,129	3.2	450,417
Ohio	424,448	-82,194	+415,336	187,668	3.5	372,595
Region VI:						
Ill.	429,593	-52,899	+392,481	181,283	6.2	414,834
Ind.	182,068	-11,075	+172,297	60,796	5.1	168,867
Wis.	76,943	-3,184	+72,188	28,110	7.4	68,422
Region VII:						
Ala.	114,597	-7,554	+109,024	29,376	12.1	109,134
Fla.	50,448	-3,699	+42,276	16,965	44.5	48,312
Ga.	70,393	+3,620	+59,525	26,544	12.0	61,347
Miss.	35,366	+1,004	+53,187	8,645	51.3	32,794
S. C.	21,874	+1,662	+17,821	9,130	30.6	19,458
Tenn.	129,717	+14,479	+114,424	49,836	19.0	122,187
Region VIII:						
Iowa	48,392	-949	+44,500	21,074	20.4	43,765
Minn.	66,632	+7,030	+61,082	21,636	16.9	59,671
Nebr.	20,848	+1,207	+20,057	8,991	18.4	18,835
N. Dak.	6,999	+818	+6,612	2,221	60.6	6,890
S. Dak.	5,063	+567	+4,625	2,355	97.8	4,950
Region IX:						
Ark.	83,549	+184	+80,575	25,830	60.6	81,474
Kans.	81,619	+2,839	+79,300	37,983	19.5	77,719
Mo.	221,766	+503	+214,601	76,058	22.3	202,103
Okla.	82,374	+7,121	+79,584	30,773	50.5	78,460
Region X:						
La.	117,564	-7,224	+113,540	28,952	14.6	110,774
N. Mex.	8,625	+1,745	+48,332	2,337	77.6	8,389
Tex.	105,349	-18,158	+95,231	35,295	27.3	94,333
Region XI:						
Colo.	18,125	+9	+17,608	5,936	45.0	16,285
Idaho	17,431	+2,626	+16,776	4,991	41.0	15,978
Mont.	24,112	+3,079	+23,606	7,350	37.2	22,128
Utah	33,009	+2,546	+31,732	(⁴)	9.9	31,874
Wyo.	3,429	+681	+3,329	975	41.4	3,087
Region XII:						
Ariz.	21,039	+368	+19,789	8,043	48.5	19,721
Calif.	970,152	+3,028	+843,273	428,971	5.4	916,449
Nev.	5,602	+634	+5,254	2,133	52.8	5,416
Oreg.	151,451	+4,997	+146,439	56,941	8.2	144,211
Wash.	242,330	+21,441	+234,120	86,050	6.2	231,664
Territories:						
Alaska	1,709	+1,088	+828	542	13.2	1,574
Hawaii	97	-158	+93	28	37.1	76

¹ Includes waiting-period claims except in Maryland, which has no provision for filing such claims.

² Includes estimate for Rhode Island.

³ Data not available.

claims declined in all five States for which data are available except in Maine, where the transition from the old to the new benefit year beginning April 1 and lay-offs in the shipbuilding industry caused a rise in initial claims. The amount disbursed for

benefits, however, increased in every State, and, except in Massachusetts, the average weekly number of beneficiaries also increased slightly.

In Connecticut, initial claims dropped from 20,200 to 11,200. Settlement of several labor disputes during

the month had little effect on the March claims load, since production was barely under way by the end of the month.

The decline in both types of claims in Massachusetts is an indication of the leveling off in employment which,

Table 4.—Number of beneficiaries, number of weeks compensated, and average weekly payment for total unemployment, by State, March 1946

[Corrected to Apr. 15, 1946]

Social Security Board region and State	Beneficiaries			Weeks compensated for unemployment			Benefits paid ²			Average weekly payment for total unemployment
	Average weekly number	Amount of change from—		All types	Total	Other ¹	Amount	Amount of change from—		
		February 1946	March 1945					February 1946	March 1945	
Total ³	1,573,000	-55,000	+1,470,000	6,815,000			\$126,000,000	+\$5,000,000	+\$118,758,000	\$18.49
Region I:										
Connecticut	29,512	+236	+27,883	127,883	125,561	2,322	2,693,006	+239,664	+2,557,583	21.22
Maine	10,098	+1,208	+9,174	43,759	39,380	4,379	683,379	+114,798	+635,391	16.31
Massachusetts	40,561	-1,872	+37,715	175,764	171,280	4,484	3,375,076	+103,965	+3,181,098	19.46
New Hampshire	1,450	+398	+1,243	6,323	6,080	243	85,548	+28,390	+75,199	13.76
Rhode Island ⁴										
Vermont	1,326	+55	+1,251	5,744	5,404	340	95,537	+9,532	+91,649	17.24
Region II-III:										
Delaware	3,294	-697	+3,064	14,272	13,855	417	232,167	-29,903	+217,113	16.50
New Jersey	101,945	-31,461	+97,224	441,759	435,665	6,094	9,024,749	-1,902,984	+8,698,177	20.55
New York	221,166	-5,964	+206,648	958,382	926,051	32,331	18,250,556	+538,283	+17,228,829	19.35
Pennsylvania	158,078	+49,362	+154,586	685,003	(⁵)	(⁵)	12,659,157	+4,833,848	+12,423,052	(⁵)
Region IV:										
District of Columbia ⁴										
Maryland	31,159	-4,593	+30,304	135,021	130,604	4,417	2,527,810	-183,875	+2,468,117	19.00
North Carolina	7,089	+1,863	+6,206	30,719	29,804	915	367,119	+107,341	+334,568	12.06
Virginia	9,024	+2,842	+8,594	39,102	37,913	1,189	497,468	+171,920	+477,646	12.89
West Virginia	16,114	+2,454	+15,256	69,829	62,376	7,453	1,133,310	+175,737	+1,087,851	16.34
Region V:										
Kentucky	12,328	+3,937	+11,182	53,421	52,836	585	657,245	+239,005	+604,060	12.35
Michigan	101,145	-13,155	+87,710	438,293	435,301	2,992	9,045,877	-383,775	+7,926,744	20.69
Ohio ⁴										
Region VI:										
Illinois	99,087	-10,896	+91,244	429,374	415,141	14,233	7,958,057	-198,436	+7,374,924	18.80
Indiana ⁴										
Wisconsin	15,708	+535	+14,926	68,067	64,229	3,838	1,203,479	+130,502	+1,154,859	17.98
Region VII:										
Alabama	26,042	-910	+24,902	112,848	109,508	3,340	1,901,056	+63,689	+1,844,195	16.95
Florida	8,013	-1,105	+7,045	34,722	33,686	1,036	492,618	-23,856	+438,032	14.38
Georgia	12,793	-333	+10,697	55,435	54,874	561	870,499	+26,321	+767,291	15.76
Mississippi	3,715	+919	+3,410	16,097	15,747	350	210,677	+62,490	+195,650	13.19
South Carolina	2,204	+268	+1,529	9,550	9,098	452	134,938	+25,742	+105,710	14.41
Tennessee	25,568	-7,626	+22,645	110,793	109,459	1,334	1,506,188	-309,305	+1,358,992	13.66
Region VIII:										
Iowa	8,600	-367	+7,926	37,266	35,273	1,993	576,613	-4,330	+544,912	15.80
Minnesota ⁴										
Nebraska ⁴										
North Dakota	591	+58	+523	2,559	2,245	314	42,078	+7,341	+38,778	17.11
South Dakota	389	+19	+331	1,686	1,461	225	21,587	+2,715	+19,512	13.33
Region IX:										
Arkansas	7,173	(⁵)	+6,904	31,084	30,517	567	375,361	(⁵)	+363,158	12.13
Kansas	20,883	-1,840	+20,478	90,491	87,545	2,946	1,360,682	-16,860	+1,339,889	15.21
Missouri	33,832	-723	+32,650	146,007	144,666	1,941	2,376,593	+160,699	+2,313,000	16.31
Oklahoma	18,787	-396	+18,407	81,195	79,257	1,938	1,350,932	+73,053	+1,332,428	16.73
Region X:										
Louisiana	22,284	-1,894	+21,560	96,562	91,566	4,996	1,503,004	-52,413	+1,450,679	15.83
New Mexico	470	+115	+435	2,036	2,003	33	27,459	+8,456	+25,720	13.55
Texas	28,208	+2,899	+27,062	122,236	119,098	3,138	1,931,968	+303,151	+1,870,167	15.96
Region XI:										
Colorado	2,206	+277	+2,130	9,550	9,182	377	131,467	+22,967	+127,059	14.02
Idaho ⁴										
Montana	3,080	+362	+2,883	13,348	13,348	(⁵)	180,882	+31,629	+169,782	13.55
Utah	6,336	+1,524	+6,039	27,454	26,399	1,055	646,364	+189,285	+622,004	23.83
Wyoming	546	+267	+533	2,365	2,221	144	44,518	+22,685	+43,567	19.04
Region XII:										
Arizona	2,870	+76	+2,749	12,437	12,291	146	180,465	+16,802	+173,271	14.57
California ⁴										
Nevada	807	+33	+732	3,495	3,431	64	63,242	+6,932	+58,506	18.20
Oregon	39,437	+3,566	+38,755	170,892	167,693	3,199	2,855,118	+448,788	+2,814,316	16.78
Washington	64,546	+5,607	+62,778	279,697	273,138	6,559	5,862,954	+908,894	+5,752,473	21.11
Territories:										
Alaska	1,167	+157	+1,025	5,055	4,957	98	78,598	+15,408	+69,646	15.67
Hawaii	69	+5	+67	297	275	22	6,393	+1,657	+6,262	22.68

¹ Includes all weeks compensated for less than total unemployment. Excludes Montana, which has no provision for payment of other than total unemployment.

² Gross; not adjusted for voided benefit checks and transfers under interstate combined wage plan.

³ Includes estimates for California, District of Columbia, Idaho, Indiana, Minnesota, Nebraska, Ohio, and Rhode Island.

⁴ Data not available.

⁵ Data not available for February 1946.

except as labor disputes have interrupted it, has been apparent for some time. The decline in continued claims from women was accentuated by the large number of benefit exhaustions among women who filed their claims immediately after VJ-day. A sharp increase in claims from the Gloucester area was due to a labor dispute in the fish-processing industry.

Region II-III.—In all four States, benefit expenditures were more than double the amount of collections during the quarter ended March 31.

In Delaware, 44 percent of the 1,400 initial claims received were filed by women, principally by women in canning factories. The decrease in initial claims in New Jersey from 43,100 to 36,100 was in line with the settlement of labor-management affairs. Continued claims also dropped noticeably. Unemployment reflected by continued claims as percent of covered workers, 10.6 percent, was the seventh highest in the Nation, however.

New York's initial claims rose from 119,800 to 144,500 as workers involved in labor disputes in the electrical and steel industries filed their claims early in the month after a 7-week disqualification period. The drop in compensable claims was due partly to the fact that 30,200 persons, in contrast to 7,600 in February, exhausted all wage credits.

In Pennsylvania, initial claims dropped again in March, from 142,100 to 55,800. The continued unemployment of workers who had been involved in a labor dispute but had completed their disqualification period and filed the bulk of their claims during the last week of February caused continued claims to increase by 308,400.

Region IV.—Only two States in Region IV—Maryland and West Virginia—reported an excess of expenditures over collections during the quarter ended March 31. North Carolina collected nearly \$4 for every dollar paid in benefits. In March, initial claims declined in every State but North Carolina, while continued claims and the average weekly number of beneficiaries rose in every State but Maryland. The drop in continued claims in Maryland was due in part to the exhaustion of benefit rights by 6,400 persons.

Table 5.—State unemployment compensation funds available for benefits as of March 31, 1946, contributions and interest, benefits paid, and ratio of benefits to contributions, January-March 1946 and cumulative since beginning of program, by State

[Corrected to Apr. 15, 1946]

Social Security Board region and State	Funds available for benefits ¹ (in thousands)		Income, January-March 1946 ²			Benefits paid, January-March 1946 ³	Benefits as percent of contributions	
	As of March 31, 1946 ⁴	Amount of change from December 31, 1945	Contributions and interest	Contributions	Interest ⁵		January-March 1946	Cumulative since beginning of program
Total.....	\$6,778,418	-\$135,591	\$227,507,471	\$195,062,759	\$32,444,712	\$381,089,811	* 186.1	* 32.4
Region I:								
Conn.....	169,323	-2,662	5,599,085	4,788,918	810,167	8,261,032	172.5	25.6
Maine.....	37,333	(*)	1,392,681	1,216,176	176,505	* 1,176,644	96.7	33.3
Mass.....	208,580	-4,693	5,677,773	4,675,120	1,002,647	10,371,170	221.8	42.3
N. H.....	23,367	+651	854,654	745,571	109,083	835,264	27.3	30.6
R. I.....	72,708	-704	3,056,488	2,709,069	347,419	3,780,133	138.8	38.8
Vt.....	12,888	+169	460,272	399,765	60,507	291,745	73.0	24.6
Region II-III:								
Del.....	13,803	-499	270,600	203,933	66,757	769,760	377.5	26.4
N. J.....	420,614	-18,515	13,541,039	11,495,945	2,045,094	32,055,805	278.8	27.0
N. Y.....	960,386	-27,369	29,107,168	24,497,370	4,609,798	56,476,475	230.5	38.0
Pa.....	596,500	-14,404	15,779,406	12,915,769	2,863,637	29,818,961	230.9	33.2
Region IV:								
Dist. of Col.....	44,140	+318	653,750	444,894	208,856	336,121	75.6	20.6
Md.....	121,297	-5,327	2,834,844	2,247,546	587,298	8,162,091	363.2	31.1
N. C.....	111,853	+3,471	4,469,333	3,941,501	527,832	998,533	25.3	21.0
Va.....	67,068	+891	2,141,073	1,825,360	315,713	1,250,272	68.5	29.2
W. Va.....	70,330	-725	2,280,362	1,943,945	336,417	3,005,704	154.6	33.5
Region V:								
Ky.....	89,529	+275	2,112,258	1,690,965	421,293	1,736,726	102.7	20.1
Mich.....	231,377	-17,649	13,704,774	12,590,764	1,114,010	31,354,032	249.0	57.3
Ohio.....	469,888	-10,298	12,717,327	10,457,100	2,260,227	23,014,061	220.1	22.2
Region VI:								
Ill.....	499,919	-10,347	15,348,841	12,956,497	2,392,344	25,695,949	198.3	31.3
Ind.....	177,852	-4,059	5,983,167	5,135,367	847,800	10,041,723	195.5	32.5
Wis.....	188,019	+2,518	6,140,680	5,247,620	893,060	3,622,327	69.0	17.6
Region VII:								
Ala.....	59,323	-4,555	1,553,728	1,264,304	289,424	6,109,123	483.2	41.6
Fla.....	59,489	+1,172	2,823,148	2,543,517	279,631	1,651,330	64.9	31.6
Ga.....	80,006	+48	3,083,516	2,702,975	380,541	3,035,068	112.3	24.5
Miss.....	27,846	+1,052	1,556,392	1,428,727	127,665	303,925	35.3	21.7
S. C.....	40,768	+1,053	1,429,367	1,239,236	190,131	376,607	30.4	21.7
Tenn.....	88,007	-706	3,835,771	3,414,065	421,706	4,542,258	133.0	32.0
Region VIII:								
Iowa.....	63,842	+807	2,532,515	2,231,656	300,859	1,725,091	77.3	26.5
Minn.....	94,115	-282	3,615,802	3,171,649	444,153	3,897,617	122.9	34.8
Nebr.....	26,819	+73	794,283	666,742	127,541	721,465	108.2	22.2
N. Dak.....	5,469	+129	226,578	201,042	25,536	97,570	48.5	30.9
S. Dak.....	6,704	+161	213,697	181,991	31,706	52,800	29.0	19.7
Region IX:								
Ark.....	30,679	+158	1,276,089	1,130,371	145,718	1,118,555	99.0	27.7
Kans.....	51,660	-2,452	1,697,975	1,447,955	250,020	4,149,656	286.6	26.4
Mo.....	157,307	-2,451	4,741,106	3,984,301	756,805	7,191,997	180.5	24.9
Okla.....	44,245	-2,248	1,380,091	1,168,778	211,313	3,628,501	310.5	34.9
Region X:								
La.....	79,240	-2,174	2,406,123	2,024,049	382,074	4,579,840	226.3	34.6
N. Mex.....	10,993	+443	503,464	451,822	51,642	60,373	13.4	27.5
Tex.....	154,473	-840	4,209,787	3,471,034	738,753	5,050,150	145.5	26.2
Region XI:								
Colo.....	36,946	+965	1,281,115	1,107,019	174,096	315,743	28.5	25.4
Idaho.....	15,800	+404	705,427	630,761	74,666	301,646	47.8	33.7
Mont.....	19,852	+526	952,899	860,197	92,702	427,011	49.6	31.6
Utah.....	26,697	-214	1,235,041	1,106,747	128,294	1,449,356	131.0	29.6
Wyo.....	8,522	+238	316,662	276,447	40,215	78,595	28.5	30.8
Region XII:								
Ariz.....	19,984	+226	734,768	639,789	94,979	509,245	79.6	28.5
Calif.....	* 731,082	(*)	* 30,863,275	* 27,222,656	* 3,640,619	* 36,229,919	133.1	32.4
Nev.....	10,785	+212	374,006	325,101	50,905	161,847	50.1	24.9
Oreg.....	69,819	-4,604	2,514,804	2,169,319	345,485	7,118,854	328.2	30.6
Wash.....	143,819	-9,297	5,989,515	5,270,631	718,884	15,286,845	290.0	26.1
Territories:								
Alaska.....	8,461	(*)	208,645	168,497	40,148	208,510	123.7	17.3
Hawaii.....	18,880	+512	526,178	437,180	88,998	14,563	3.3	6.2

¹ Represents sum of balances at end of month in State clearing account and benefit-payment account and in State unemployment trust fund account in Treasury.

² As of Feb. 28, 1946, for California and Maine.

³ Represents contributions, penalties, and interest collected from employers, and contributions from employees. Adjusted for refunds and for dishonored contribution checks. Current contribution rates (percent of taxable wages) are: for employers, 2.7 percent except in Michigan, where rate is 3.0 percent; for employees, 1.0 percent in Alabama, California, and New Jersey and 0.5 percent in Rhode Island. Experience rating, operative in 45 States, modifies

above rates. All States collect contributions either wholly or in part on quarterly basis.

⁴ Excludes March 1946 data for California and Maine.

⁵ Interest, reported by Treasury, represents earnings of funds in State accounts in Federal unemployment trust fund and is credited at end of each quarter.

⁶ Net: adjusted for voided benefit checks and transfers under interstate combined wage plan.

⁷ Includes estimates for California and Maine.

⁸ Comparable data not available.

⁹ Less than \$500.

In North Carolina, continued claims rose from 37,500 to 43,600 as a result of the end of seasonal tobacco operations and of lay-offs in knitting mills in the Winston-Salem area. Women filed 62 percent of all initial and 57 percent of all compensable claims—the largest proportions for any State in the country. The ratio of claimants to covered workers in the District of Columbia was 1.2 percent, the lowest in the country. In Virginia, continued claims increased 7,600.

Region V.—All three states in this region reported a decline in initial claims, and all but Ohio an increase in continued claims. Unemployment as reflected by the ratio of continued claims to covered workers was above the national average in Kentucky—9.4 percent—and Michigan—10.8 percent—while Ohio's 5.6 percent was below that average. During the quarter ended March 31, benefits about equaled collections in Kentucky, but the other two States paid more than \$2 in benefits for every dollar collected. Since July 1938, when Michigan first began paying benefits, that State has paid 57 cents out of every dollar collected, the highest proportion in the country.

Michigan's expenditures for benefits dropped \$383,800 in March. Initial claims dropper from 65,200 to 49,100, but continued claims rose from 454,000 to 475,200. Women filed 35 percent of the initial claims and 28 percent of the compensable claims. In Ohio, initial claims declined after a rise in February. Continued claims, which had dropped 111,000 in February, fell another 82,200.

Region VI.—This was the only region in which both types of claims declined in all States. As in February, the ratio of claimants to covered workers in each State was below the national average. The region as a whole had the lowest proportion of interstate claims received as agent State.

In Illinois, initial claims declined from 55,600 to 41,800. In Granite City, however, new claims reflecting the effects of labor disputes rose to almost three times the February number, and compensable claims in Peoria were half again as large. The average weekly number of beneficiaries in the State declined from 110,000 to 99,100. Exhaustions totaled

21,900, nearly double the number in February. Although both types of claims declined in Indiana, South Bend reported increases in both because of lay-offs from an automobile plant.

Region VII.—All States except Georgia reported a decline in initial claims, but continued claims rose in all but Alabama and Florida. The ratio of unemployment, however, was

below the national average in all but Alabama and Tennessee.

The decline in continued claims in Alabama resulted from an administrative change during the last week of the month from weekly to biweekly reporting of claimants to local offices. For every dollar collected during the quarter ended March 31, the State paid \$4.83 in benefits.

The drop of 3,700 in continued

Table 6.—Unemployment as reflected by continued claims filed for unemployment insurance in September 1945–March 1946¹ as percent of average monthly covered employment in 1945

Social Security Board region and State	Average monthly covered employ- ment ² (in thousands)	Claims as percent of covered employment in—						
		1945				1946		
		Septem- ber	October	Novem- ber	Decem- ber	January	February	March
Total.....	27,903.1	4.0	5.3	5.3	5.8	6.5	6.7	6.8
Region I:								
Connecticut.....	564.0	9.5	8.5	7.4	7.2	7.4	5.9	4.8
Maine.....	156.4	2.1	2.7	3.5	4.6	6.0	6.4	6.9
Massachusetts.....	1,314.7	3.7	3.7	3.0	3.3	3.8	4.1	3.8
New Hampshire.....	107.7	1.8	1.7	1.3	1.4	1.6	2.3	2.4
Rhode Island.....	212.5	4.8	6.0	6.0	8.2	9.6	9.3	8.9
Vermont.....	55.7	1.7	2.5	2.9	3.1	3.7	3.4	3.1
Region II-III:								
Delaware.....	75.7	2.5	3.4	4.2	4.9	5.9	5.9	5.5
New Jersey.....	1,116.0	5.3	10.1	10.6	11.1	12.9	12.7	10.6
New York.....	3,760.2	3.8	4.8	5.0	5.4	6.0	6.6	6.2
Pennsylvania.....	2,601.7	2.8	4.1	4.1	4.6	4.9	4.9	8.2
Region IV:								
District of Columbia.....	188.7	.2	.3	.4	.6	.9	1.0	1.2
Maryland.....	465.8	2.8	5.0	5.8	5.2	5.7	6.2	5.8
North Carolina.....	524.1	1.5	1.7	1.7	1.9	1.6	1.7	1.9
Virginia.....	416.2	.6	1.4	1.6	1.8	2.2	2.1	2.5
West Virginia.....	325.9	2.1	3.6	4.4	4.6	5.7	7.3	6.9
Region V:								
Kentucky.....	308.2	4.7	6.8	7.1	8.2	9.0	8.2	9.4
Michigan.....	1,354.8	14.0	13.1	11.7	10.2	9.1	8.5	10.8
Ohio.....	1,857.2	1.8	6.9	5.0	5.1	6.4	7.2	5.6
Region VI:								
Illinois.....	2,067.9	6.2	7.1	5.9	6.0	6.0	6.1	5.2
Indiana.....	779.1	5.7	6.2	6.2	5.9	6.2	6.5	5.5
Wisconsin.....	638.2	3.0	2.9	2.6	2.5	3.1	3.2	3.0
Region VII:								
Alabama.....	394.0	3.3	5.9	6.3	7.9	9.2	8.1	7.4
Florida.....	317.6	1.5	2.6	3.1	3.7	4.6	4.4	3.5
Georgia.....	453.5	2.8	3.8	4.2	4.7	4.3	3.8	3.7
Mississippi.....	155.0	2.0	2.9	3.4	4.1	4.9	5.5	5.5
South Carolina.....	247.1	.9	1.3	1.3	1.6	1.7	2.0	2.1
Tennessee.....	465.8	3.1	4.6	5.1	5.8	6.4	5.9	7.8
Region VIII:								
Iowa.....	268.1	2.7	3.2	3.2	3.9	3.8	4.4	4.0
Minnesota.....	455.7	1.7	2.0	2.4	3.3	5.6	6.1	6.6
Nebraska.....	138.0	1.3	1.6	1.6	1.7	2.9	3.5	3.5
North Dakota.....	29.7	.4	.7	1.1	2.0	3.8	5.0	5.6
South Dakota.....	37.1	.5	1.2	1.1	1.3	2.2	3.0	3.1
Region IX:								
Arkansas.....	193.0	2.8	5.5	7.1	8.9	10.8	11.5	11.7
Kansas.....	223.6	4.1	6.6	7.4	8.6	8.8	8.2	8.2
Missouri.....	698.4	4.8	6.2	6.3	7.6	7.8	7.7	7.2
Oklahoma.....	241.2	5.1	7.7	8.7	9.9	11.7	11.2	11.1
Region X:								
Louisiana.....	356.8	2.3	4.2	5.9	6.7	7.8	8.4	8.5
New Mexico.....	59.8	.3	.6	.9	1.2	1.8	2.7	3.5
Texas.....	958.0	1.3	2.2	2.6	3.1	3.8	3.6	2.6
Region XI:								
Colorado.....	157.6	.5	.7	.9	1.2	1.9	2.9	2.7
Idaho.....	66.6	.4	.4	.7	2.2	4.1	5.2	6.4
Montana.....	71.1	.4	1.1	1.8	2.9	5.1	7.2	8.1
Utah.....	96.1	.4	.6	1.2	2.3	4.6	8.0	7.8
Wyoming.....	39.6	.1	.2	.3	.5	1.1	1.8	2.1
Region XII:								
Arizona.....	81.4	3.2	3.7	4.5	4.8	5.3	6.3	6.2
California.....	1,973.1	4.1	5.8	7.8	9.3	11.7	12.1	12.0
Nevada.....	29.2	.8	1.4	1.8	2.5	3.3	4.2	4.7
Oregon.....	279.0	1.4	2.7	5.3	7.9	7.3	12.4	13.7
Washington.....	505.6	1.9	3.7	5.0	7.2	9.5	11.4	11.5

¹ Estimated number of continued claims in week in which the 8th of the month falls.

² Represents workers in covered employment in the pay period of each type (weekly, semimonthly, etc.) ending nearest the 15th of the month.

claims in Florida was due to the smaller number of interstate claims received as agent State. In Georgia the rise in both types of claims was due to seasonal lay-offs in firms processing and wholesaling pecans and peanuts in the Albany and Bainbridge areas, and to new lay-offs by a firm manufacturing earth-moving equipment, which closed down for lack of steel.

In South Carolina, initial claims declined, but continued claims rose as a result of a mass lay-off at a paper plant in Georgetown. Continued claims in Tennessee rose from 115,200 to 129,700 as a result of labor disputes in textile and shoe-manufacturing industries. The Tennessee law provides for benefit payments to claimants affected by a labor dispute after a disqualification period of 4 weeks.

Region VIII.—Initial claims declined in all States, and continued claims rose in every State but Iowa.

In Minnesota, initial claims leveled off after the heavy volume of claims received in February from persons involved in a labor dispute. The rise in continued claims would have been greater but for the fact that all the waiting-period and nearly three-fourths of the compensable claims were taken on a biweekly basis during March. Continued claims in Nebraska increased for the fourth consecutive month. Ninety-two percent of the initial and 98 percent of the continued claims in South Dakota were interstate claims received as agent State.

Region IX.—The ratio of claims to covered workers, above the national average in each of the four States in this region, was 11.7 percent in Arkansas and 11.1 percent in Oklahoma. Initial claims declined and continued claims rose in each State.

Region X.—Louisiana and Texas reported declines in initial and continued claims, while New Mexico reported increases. Louisiana's decline in compensable claims was due to the exhaustion of benefit rights by many former ordinance workers. In Texas the drop in continued claims may be attributed to the seasonal return of many claimants to farming. Three out of four continued claims in New Mexico were interstate claims taken as agent State. Only 13.4 cents out of every dollar collected in New Mex-

ico was paid in benefits, the second lowest ratio in the Nation.

Region XI.—All States in this region reported fewer initial claims and more continued claims. The ratio of unemployment in Montana and Utah was higher than the national average. Utah was the only State in the region which paid out more in benefits than was collected during the quarter ended March 30; in both Colorado and Wyoming, on the other hand, the

ratio of benefits to collections was 28.5 percent.

Region XII.—Initial claims rose slightly in Arizona and Nevada but declined in California, Oregon, and Washington. Continued claims, however, increased in every State. The ratios of unemployment were considerably above the national average in California, Oregon, and Washington and below it in Arizona and Nevada.

Table 7.—Interstate claims received, weeks compensated by interstate payments, and amount of interstate benefit payments, by liable State, February 1946

[Corrected to Apr. 15, 1946]

Social Security Board region and liable State	Initial		Continued		Weeks compensated	Benefit payments
	Total	Women	Total	Women		
Total 1.....	63, 635	25, 775	651, 422	264, 505	2 404, 540	2 \$7, 507, 203
Region I:						
Connecticut.....	1, 705	638	17, 856	7, 164	13, 194	283, 537
Maine.....	225	79	1, 606	862	(²)	(²)
Massachusetts.....	1, 077	521	5, 650	2, 507	4, 713	93, 520
New Hampshire.....	119	44	517	159	410	5, 307
Rhode Island.....	711	220	6, 016	1, 544	4, 999	84, 676
Vermont.....	120	53	921	279	528	9, 813
Region II-III:						
Delaware.....	339	101	2, 225	661	2, 112	36, 605
New Jersey.....	2, 149	965	25, 779	11, 960	20, 930	443, 560
New York.....	1, 806	974	25, 227	13, 779	29, 927	590, 129
Pennsylvania.....	2, 626	845	17, 231	8, 960	9, 845	186, 374
Region IV:						
District of Columbia.....	432	192	2, 405	1, 192	1, 626	28, 681
Maryland.....	1, 603	620	36, 708	16, 547	30, 799	604, 077
North Carolina.....	622	303	4, 291	2, 584	2, 596	33, 582
Virginia.....	852	376	5, 587	2, 215	2, 739	37, 738
West Virginia.....	590	160	5, 829	1, 569	5, 382	90, 595
Region V:						
Kentucky.....	990	127	5, 131	2, 316	2, 050	26, 910
Michigan.....	3, 132	1, 181	51, 373	22, 144	47, 750	949, 622
Ohio.....	2, 713	906	31, 717	14, 939	23, 292	468, 188
Region VI:						
Illinois.....	3, 454	1, 532	30, 662	14, 248	22, 194	422, 762
Indiana 1.....						
Wisconsin.....	666	205	6, 403	1, 642	4, 537	87, 481
Region VII:						
Alabama.....	1, 260	416	14, 486	3, 352	10, 870	204, 838
Florida.....	1, 315	550	8, 326	3, 018	6, 594	94, 885
Georgia.....	1, 041	530	7, 270	3, 521	4, 886	80, 376
Mississippi.....	442	195	2, 512	1, 016	1, 096	14, 789
South Carolina.....	238	128	1, 133	608	417	6, 827
Tennessee.....	2, 817	600	27, 750	6, 138	28, 027	404, 928
Region VIII:						
Iowa.....	459	175	3, 656	1, 202	1, 959	33, 794
Minnesota.....	531	231	3, 906	1, 484	2, 686	46, 413
Nebraska.....	488	240	2, 953	1, 451	1, 934	32, 105
North Dakota.....	60	21	321	93	213	3, 704
South Dakota.....	76	41	253	141	83	1, 098
Region IX:						
Arkansas.....	637	223	3, 528	1, 316	1, 608	20, 631
Kansas.....	2, 107	780	31, 124	13, 820	26, 510	459, 818
Missouri.....	1, 548	749	16, 847	9, 205	9, 016	147, 476
Oklahoma.....	1, 143	534	9, 575	4, 924	5, 672	96, 934
Region X:						
Louisiana.....	1, 052	363	8, 636	2, 979	4, 350	73, 062
New Mexico.....	200	82	899	279	455	6, 107
Texas.....	1, 951	696	16, 548	5, 083	6, 176	101, 148
Region XI:						
Colorado.....	496	235	2, 073	973	827	11, 153
Idaho.....	256	76	688	106	688	11, 498
Montana.....	168	60	1, 016	286	650	9, 033
Utah.....	250	69	1, 190	352	886	20, 969
Wyoming.....	194	46	995	249	427	8, 188
Region XII:						
Arizona.....	520	195	3, 042	1, 251	1, 728	25, 218
California.....	13, 344	6, 414	139, 116	56, 307	(²)	(²)
Nevada.....	245	86	1, 334	491	1, 024	18, 728
Oregon 1.....						
Washington.....	4, 909	1, 854	54, 926	20, 726	50, 217	1, 044, 026
Territories:						
Alaska.....	486	19	4, 004	106	2, 696	42, 940
Hawaii.....	54	5	181	37	132	3, 120

1 Excludes Indiana and Oregon; data not reported.

2 Excludes California and Maine; data not available.

The rise in initial claims in Arizona was partly due to a labor dispute in a copper firm in the Bisbee and Morenci areas. In California, initial claims declined for the second consecutive month. Continued claims, however, rose slightly. Women filed more than 40 percent of the initial claims, and about 36 percent were filed by persons entering a second or subsequent spell of unemployment during their benefit years.

Most of the 5,000 increase in continued claims in Oregon was due to heavy seasonal unemployment early in the month. Since plans are under way for large-scale construction projects and lumber mills are again operating at near capacity, these claims are expected to decline. Men claimants outnumbered women 2 to 1, but the majority of job openings were for women, mostly stenographers. More than 60 percent of the men and 43

percent of the women claimants were 45 years old or older.

Initial claims in Washington declined from 23,000 to 20,000 though the Tacoma and Anacortes areas reported increases. The rise in Tacoma was a result of shipbuilding cut-backs, while that in Anacortes resulted from log shortages caused by a labor dispute earlier in the season and heavy snows after the dispute was settled. The increase in continued claims was

Table 8.—Claims and payments for veterans' unemployment allowances, January and February 1946¹

State ¹	January					February						
	Initial claims	Continued claims		Weeks compensated	Payments		Initial claims	Continued claims		Weeks compensated	Payments	
		Total	Because of illness or disability		Average weekly number of veterans ²	Amount		Total	Because of illness or disability		Average weekly number of veterans ²	Amount
Total	1,030,171	4,594,283	45,257	4,175,471	695,493	\$83,321,897	908,697	5,853,239	46,146	5,625,377	1,071,128	\$112,194,861
Alabama.....	15,941	84,791	523	78,504	12,863	1,568,809	14,792	106,008	824	95,835	18,949	1,915,067
Alaska.....	266	846	0	807	135	15,912	180	1,037	0	982	221	19,342
Arizona.....	3,976	16,511	321	14,395	2,656	286,918	3,726	20,131	336	16,761	3,737	334,283
Arkansas.....	11,708	94,290	1,218	92,317	9,028	1,843,705	9,735	100,575	542	102,138	13,411	2,040,432
California.....	64,144	249,968	2,098	250,606	44,790	4,991,136	63,299	325,459	2,348	324,047	67,550	6,455,968
Colorado.....	6,923	19,442	173	13,118	2,202	260,568	7,661	28,041	170	28,380	4,805	565,080
Connecticut.....	18,049	70,382	962	55,203	9,004	1,101,760	15,326	87,200	963	69,227	11,780	1,380,499
Delaware.....	2,204	9,602	5	9,634	1,735	191,750	1,924	19,713	33	12,737	2,696	253,947
District of Columbia.....	5,453	16,216	406	11,410	1,849	226,369	5,103	19,923	136	14,911	2,633	297,068
Florida.....	9,758	35,595	324	36,770	6,110	734,172	9,969	47,868	436	46,575	9,912	931,091
Georgia.....	17,296	83,155	635	80,342	11,116	1,604,379	13,831	106,658	700	105,047	14,318	2,097,671
Hawaii.....	54	119	0	93	16	1,848	135	213	0	192	33	3,753
Idaho.....	2,786	8,793	42	7,418	883	147,388	2,468	12,846	63	10,219	1,356	203,241
Illinois.....	67,944	199,810	1,326	199,833	19,929	3,878,323	63,014	264,562	1,027	242,764	39,703	4,812,504
Indiana.....	35,250	117,203	860	104,382	18,556	2,080,081	28,898	186,223	505	155,009	30,002	3,087,504
Iowa.....	14,312	51,124	29	46,500	7,810	967,143	11,591	76,350	406	77,151	11,272	1,536,070
Kansas.....	11,103	42,419	425	42,510	7,555	846,217	10,020	59,602	485	58,042	12,596	1,154,600
Kentucky.....	16,750	61,603	391	52,133	6,609	1,040,875	21,018	87,369	305	81,173	8,691	1,620,166
Louisiana.....	13,424	52,243	30	33,405	4,278	667,712	13,212	78,351	15	49,855	9,704	994,630
Maine.....	5,968	25,288	343	23,596	4,270	470,417	5,252	34,160	251	33,057	6,930	658,546
Maryland.....	13,369	54,240	61	54,240	9,766	1,082,239	12,427	80,493	199	80,493	18,057	1,605,951
Massachusetts.....	49,463	198,767	1,225	186,132	34,772	3,705,393	40,966	268,072	1,268	253,401	53,880	5,051,248
Michigan.....	53,844	340,279	1,999	331,557	52,974	6,617,584	49,425	384,950	2,847	394,985	84,340	7,881,302
Minnesota.....	21,796	81,889	364	112,449	13,539	2,235,077	18,417	84,873	286	151,344	22,698	3,011,548
Mississippi.....	8,409	39,184	554	29,761	5,741	594,179	6,929	47,593	569	36,470	7,480	727,697
Missouri.....	34,024	139,243	644	124,186	12,693	2,478,161	25,961	190,178	653	181,140	20,651	3,612,008
Montana.....	3,946	32,372	549	16,428	3,132	327,696	3,647	24,042	235	22,620	4,873	451,296
Nebraska.....	2,885	10,139	109	8,054	1,484	160,086	3,373	15,141	151	15,802	3,098	314,115
Nevada.....	1,600	1,555	19	2,113	429	42,100	656	2,520	22	3,071	61	61,028
New Hampshire.....	4,196	14,393	207	12,333	2,224	245,666	3,393	17,864	211	15,873	3,076	316,209
New Jersey.....	41,442	192,840	2,256	173,508	25,939	3,467,894	38,645	260,019	1,750	246,103	40,355	4,916,042
New Mexico.....	3,340	11,946	116	11,104	1,854	221,872	3,475	19,807	92	17,126	3,682	341,953
New York.....	148,854	549,780	7,834	547,394	103,565	10,911,969	128,236	707,683	7,579	684,090	144,506	13,647,976
North Carolina.....	14,335	56,671	1,540	44,107	8,118	882,887	14,134	78,752	1,636	67,966	13,655	1,354,997
North Dakota.....	2,430	7,505	37	6,129	1,013	121,732	2,556	12,917	92	11,555	2,252	229,570
Ohio.....	37,823	200,487	1,907	198,559	16,699	2,167,486	39,784	265,146	1,486	176,611	23,917	3,519,548
Oklahoma.....	13,760	47,390	186	39,164	4,474	781,867	11,911	69,315	311	63,211	10,612	1,261,283
Oregon.....	10,962	43,186	54	36,523	5,763	726,350	9,387	49,517	137	51,891	10,468	1,032,329
Pennsylvania.....	106,917	567,953	7,432	515,746	98,632	10,308,865	79,569	707,359	6,558	714,413	146,824	14,279,306
Puerto Rico.....	4,950	64,123	1,389	69,248	15,358	1,384,348	5,058	69,885	1,364	72,711	17,397	1,453,464
Rhode Island.....	5,314	16,143	146	16,100	2,939	321,096	4,725	26,142	192	26,107	5,407	520,744
South Carolina.....	8,826	42,877	1,285	42,499	7,875	847,778	7,608	54,496	1,282	42,800	9,385	854,329
South Dakota.....	1,770	5,773	4	5,240	811	104,319	1,760	9,089	8	6,195	1,326	123,247
Tennessee.....	20,184	118,000	563	72,378	9,378	1,445,237	16,350	123,948	682	166,217	30,568	3,318,464
Texas.....	33,946	213,664	2,701	200,247	39,628	4,000,549	28,459	231,675	4,253	225,117	51,452	4,476,464
Utah.....	5,105	14,148	11	12,966	2,223	257,538	4,351	24,310	23	21,442	4,345	426,211
Vermont.....	1,905	8,414	146	7,945	1,463	157,538	1,549	9,922	122	9,412	2,012	186,500
Virginia.....	10,038	49,989	550	48,905	6,789	974,884	10,526	65,403	1,373	58,020	10,597	1,156,145
Washington.....	12,041	43,660	84	42,852	7,232	849,601	10,855	57,160	106	50,911	10,560	1,010,256
West Virginia.....	20,539	117,625	700	108,054	14,364	2,158,750	15,752	136,093	532	144,159	22,587	2,880,296
Wisconsin.....	18,915	68,454	417	64,641	12,959	1,283,434	16,994	92,821	509	86,791	19,635	1,726,472
Wyoming.....	928	2,194	27	1,630	268	32,240	965	3,765	43	3,228	478	63,876

¹ Represents activities under provisions of title V of the Servicemen's Readjustment Act of 1944; excludes data for self-employed veterans.

² Includes Puerto Rico.

³ Represents average weekly number of veterans paid readjustment allowances during weeks ended in month.

⁴ Break-down estimated by Veterans Administration, Readjustment Allowance Service.

Source: Data reported to Readjustment Allowance Division, Veterans Administration, by unemployment compensation agencies in 48 States, the District of Columbia, Alaska, and Hawaii, and by Veterans Administration for Puerto Rico.

widespread; only the Bellington area, where logging operations had been resumed, reported fewer claims.

Veterans' Readjustment Allowances

An average weekly number of more than a million unemployed veterans of World War II received unemployment allowances in February. A total of \$112.2 million was paid in compensation for 5.6 million weeks of unemployment; for January, the comparable figures were \$83.3 million and 4.2 million weeks of unemployment.

Initial claims for readjustment allowances dropped to 909,000, or 12 percent less than in January. With the peak of the demobilization program past, and with settlements reached in many labor disputes, this decline may mark the reversal of the upward trend of the past 9 months. Eleven States reported increases in initial claims, but the increases were slight, except in Kentucky. The cumulative number of new claims received since the beginning of the program in September 1944 reached 3.2 million by the end of February, or about 30 percent of the number of separations from the armed forces over the same period.

Continued claims advanced to 5.9 million in February—27.4 percent more than the January total. Delaware's continued claims were double the January number, and 10 other States reported half again as many. In some industrial States, veterans' claims constituted more than one-fifth of all continued claims filed for readjustment allowances and for unemployment compensation under State systems; in New York they were more than two-fifths; and in Pennsylvania more than a half.

Time Lapse in Benefit Payments, 1945

During 1945, and especially in the last 6 months, when unprecedented claims loads fell upon most States, the time elapsing between the end of the claimant's compensable benefit week and the date his check was issued increased in most States for both intrastate and interstate payments. This delay was due to a variety of factors, differing from State to State, that were brought about by the ending of the war. Many of these factors were beyond the control of the agencies,

and the delay cannot be interpreted in all cases as reflecting on the efficiency of State operations. Perhaps the most important factor was the sudden increase in claims loads after VJ-day, which found most States with small

staffs and inadequate tabulating equipment. Many agencies had great difficulty in obtaining adequately trained personnel, and it was often difficult to find even untrained help. Machines broke down frequently, and

Table 9.—Number of first and second and subsequent intrastate benefit payments for total unemployment, and percent of payments issued within 2 weeks and in 6 weeks or more,¹ by State and quarter, 1945

Social Security Board region and State	January-March						April-June					
	First payments			Second and subsequent payments			First payments			Second and subsequent payments		
	Number	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—	
		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more
Total.....	122,855	73.1	6.3	977,371	88.0	2.7	100,772	78.5	3.2	989,751	90.8	2.2
Region I:												
Conn.....	2,501	83.4	4.7	14,850	92.5	4.0	4,871	89.4	3.1	12,480	89.8	6.1
Maine.....	1,087	82.1	1.2	12,458	93.5	4.4	2,327	88.7	.5	10,739	95.1	.5
Mass.....	4,471	92.8	2.1	32,502	95.8	1.6	7,872	93.8	1.3	26,913	97.1	1.0
N. H.....	164	93.3	0	2,093	95.5	.1	462	90.9	.9	1,962	90.6	.8
R. I.....	1,619	85.8	.5	11,232	97.9	.6	3,952	95.3	.4	16,176	98.1	.4
Vt.....	78	85.9	1.3	1,027	95.7	.1	140	97.1	0	735	94.6	.1
Region II-III:												
Del.....	308	97.8	.6	1,473	98.8	.2	523	97.9	.2	2,133	98.4	.7
N. J.....	7,241	52.1	10.0	47,588	77.4	6.7	7,762	43.6	6.2	44,522	82.1	6.9
N. Y.....	14,706	85.8	4.1	159,955	91.5	2.1	41,756	95.3	1.0	141,993	94.4	2.0
Pa.....	7,668	61.0	33.0	43,289	86.5	10.6	6,916	91.6	1.2	23,834	93.8	2.1
Region IV:												
D. C.....	719	95.1	.6	5,921	96.6	.2	232	92.1	2.8	2,659	97.0	.7
Md.....	799	96.7	.4	6,590	95.8	.6	2,553	93.6	.1	8,922	92.7	.3
N. C.....	1,124	83.9	2.0	7,181	88.0	2.8	1,163	81.0	1.9	9,480	91.6	1.2
Va.....	359	87.5	2.5	3,460	88.8	3.9	1,155	88.1	5.4	4,449	95.2	2.0
W. Va.....	617	74.7	5.0	5,646	88.5	2.7	756	73.0	8.1	3,949	88.6	4.1
Region V:												
Ky.....	1,441	78.8	5.5	12,434	85.2	3.7	1,664	79.9	4.9	11,135	84.0	4.3
Mich.....	16,911	36.1	12.1	148,009	72.2	4.6	31,274	31.0	7.6	213,901	82.8	3.4
Ohio.....	2,116	52.9	8.8	13,735	81.8	3.6	2,457	76.8	5.9	10,534	85.3	6.2
Region VI:												
Ill.....	9,875	79.8	3.4	83,745	89.2	1.5	24,801	86.4	1.4	88,852	91.8	1.0
Ind.....	2,705	84.5	1.5	13,748	96.7	.7	6,747	71.6	11.5	16,447	96.0	1.2
Wis.....	1,383	84.9	3.0	7,786	94.6	1.3	1,931	83.6	4.7	4,105	90.7	4.2
Region VII:												
Ala.....	1,147	86.5	2.5	12,834	97.0	1.2	1,263	89.9	1.3	12,418	97.6	.6
Fla.....	3,953	83.6	1.2	8,792	84.5	1.8	2,212	90.1	1.6	18,910	95.4	.9
Ga.....	2,270	82.6	1.4	13,506	95.7	.8	897	74.9	2.9	10,678	91.2	.7
Miss.....	363	94.0	.8	2,577	97.4	.2	418	94.6	.7	3,161	97.9	.7
S. C.....	745	90.5	2.0	6,352	96.3	.7	436	86.2	3.7	5,091	95.8	1.1
Tenn.....	3,770	73.9	3.7	31,961	90.8	1.1	1,570	65.9	14.8	14,361	81.0	5.3
Region VIII:												
Iowa.....	1,004	86.7	1.5	5,453	94.6	1.0	792	89.2	2.9	5,682	95.0	1.8
Minn.....	1,174	85.4	2.6	9,796	94.2	.6	519	86.3	4.0	5,672	95.1	1.6
Nebr.....	150	88.7	0	732	94.1	.5	118	89.6	1.7	843	94.6	.9
N. Dak.....	38	97.4	0	215	98.6	0	3	100.0	0	106	94.4	.9
S. Dak.....	62	85.5	1.6	458	98.2	0	65	95.4	0	343	99.4	0
Region IX:												
Ark.....	348	88.0	1.4	2,727	93.1	.4	347	87.8	2.6	2,151	92.2	1.4
Kans.....	414	76.6	2.7	4,069	81.0	1.4	624	85.4	2.9	3,093	78.2	1.7
Mo.....	1,560	61.2	6.3	10,795	87.2	2.1	1,750	77.8	5.9	7,945	89.9	1.1
Okl.....	309	81.0	2.9	2,636	90.4	1.7	633	90.9	.9	2,101	88.1	1.0
Region X:												
La.....	779	91.6	1.5	6,870	95.4	.8	1,373	95.6	.9	8,784	97.4	.7
N. Mex.....	28	49.9	17.9	186	85.4	2.2	19	73.6	5.3	185	93.5	1.6
Tex.....	1,375	78.2	4.7	5,203	92.3	1.3	1,471	82.8	2.9	4,985	90.4	1.0
Region XI:												
Calif.....	84	91.6	2.4	745	97.9	1.3	233	97.0	0	1,379	90.1	5.1
Idaho.....	143	86.7	1.4	1,081	89.9	2.4	144	93.7	1.4	1,680	93.5	1.0
Mont.....	233	96.3	.4	1,947	99.5	.2	137	99.3	0	1,375	98.9	.7
Utah.....	298	87.5	.7	2,561	96.3	.4	87	86.3	0	1,326	97.9	.2
Wyo.....	12	58.3	25.0	76	81.6	2.6	6	50.0	33.3	52	75.0	7.7
Region XII:												
Ariz.....	181	87.3	2.8	993	98.1	.3	221	96.8	.5	971	98.6	.1
Calif.....	21,185	89.7	1.2	196,604	92.3	1.4	22,868	94.2	1.1	206,678	94.9	1.3
Nev.....	71	91.6	0	431	98.6	0	47	97.9	0	369	98.1	0
Oreg.....	1,066	89.5	2.8	3,192	91.4	3.7	887	83.4	2.9	4,383	91.1	2.5
Wash.....	2,247	93.0	.5	9,004	94.6	.6	1,270	87.2	1.3	8,733	92.7	.5
Territories:												
Alaska.....	154	85.1	0	822	88.9	0	27	70.4	0	366	94.2	0
Hawaii.....	31	100.0	0	31	96.8	0	4	75.0	0	11	72.7	0

See footnotes at end of table.

qualified repairmen were not always readily available.

The practice of taking claims on a

biweekly basis reduces the over-all work load in the local offices but automatically adds 7 days to the time

lapse. Five States—Connecticut, Illinois, Michigan, Missouri, and Oklahoma—took claims on a biweekly basis during the October-December quarter.

Other factors contributing to the delay in issuing payments include the liberal policy of some States in antedating claims for good cause and the time consumed in appeals processes, which, for cases decided in favor of the claimant, places many payments in the 6-weeks-or-more group. Moreover, the mailing time between local and central offices takes longer in some States than in others.

Some States postpone the initial determination until the claimant has served his waiting period, thus eliminating unnecessary determinations for claimants who were reemployed within a week after filing their initial claim but thereby adding the length of the waiting period to the time lapse.

Nineteen States issue checks on a calendar-week basis. Under this plan, claimants must certify as to the calendar week of unemployment on scheduled days of the following week. This procedure was adopted to avoid a heavy concentration of claims-filing on the first day or two in the week. Since time lapse is computed from the end of the compensable week, the length of time required for benefit payment is automatically extended by the number of days between the end of the compensable week and the claimant's reporting date. In States making payments on an individual-week basis, time lapse would tend to be lower, since the claimant usually certifies to each compensable week of unemployment on the day after his week has ended.

Care should be taken in making a State-by-State comparison solely on the basis of the data in the tables. Many of the percentages shown are based on relatively few payments and are therefore not valid indicators. Administrative and statutory provisions which affect the time lapse should also be considered.

Intrastate First Payments

During 1945, approximately 2.3 million intrastate first payments were made, more than five times the number in 1944. The volume during the first 6 months was somewhat higher

Table 9.—Number of first and second and subsequent intrastate benefit payments for total unemployment, and percent of payments issued within 2 weeks and in 6 weeks or more,¹ by State and quarter, 1945—Continued

Social Security Board region and State	July-September						October-December					
	First payments			Second and subsequent payments			First payments			Second and subsequent payments		
	Number	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—	
		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more
Total.....	921,145	72.6	1.8	3,219,160	86.8	2.0	1,082,045	56.1	8.4	12,578,936	76.4	2.2
Region I:												
Conn.....	39,806	70.9	1.0	74,537	89.7	1.8	33,649	34.7	7.8	471,423	40.8	1.8
Maine.....	2,150	80.7	1.7	17,354	94.1	.8	5,522	82.4	1.9	43,577	94.4	.7
Mass.....	46,105	95.9	.5	118,000	97.9	.5	34,292	88.8	2.0	447,507	97.6	.4
N. H.....	1,311	95.5	.2	3,588	95.0	.2	977	90.4	.4	8,709	94.6	.3
R. I.....	12,814	94.3	.1	51,780	98.2	.2	(²)	—	—	(²)	—	—
Vt.....	684	92.9	2.3	2,092	96.5	.6	963	88.0	2.0	12,281	98.0	.6
Region II-III:												
Del.....	2,045	94.1	.5	6,679	90.9	.6	2,727	92.8	.8	26,136	98.6	.1
N. J.....	58,225	38.7	2.7	185,337	71.8	2.6	123,255	34.6	9.4	1,254,300	81.5	1.8
N. Y.....	147,894	82.0	1.1	521,228	92.3	1.0	138,677	72.2	4.3	1,880,997	88.9	.7
Pa.....	75,921	90.4	.8	189,852	95.8	.5	109,478	76.6	5.3	1,005,617	92.4	1.4
Region IV:												
D. C.....	343	88.1	2.3	2,382	92.6	1.1	409	46.0	9.5	3,977	81.8	1.4
Md.....	23,271	96.2	(³)	59,411	95.8	.2	22,855	96.2	.4	273,791	94.1	.4
N. C.....	7,759	70.2	.5	19,045	94.3	.9	5,948	67.5	6.1	71,872	87.5	2.3
Va.....	3,283	96.7	.2	10,381	97.4	.2	6,681	84.7	.3	49,753	88.9	.1
W. Va.....	4,550	89.0	1.5	14,334	93.7	1.8	7,768	74.3	5.0	81,035	92.6	1.3
Region V:												
Ky.....	7,547	69.8	1.4	27,428	86.9	2.3	9,201	63.1	7.0	115,615	84.1	2.0
Mich.....	122,031	26.6	6.9	747,636	74.6	5.3	107,457	43.7	17.4	2,035,242	73.8	4.2
Ohio.....	32,820	60.6	.9	80,402	91.6	.7	91,971	17.5	11.8	857,091	74.5	2.7
Region VI:												
Ill.....	89,221	59.2	1.1	302,748	78.8	.9	77,776	41.4	10.0	1,128,136	54.9	10.9
Ind.....	16,988	56.0	1.0	71,811	91.2	.4	45,702	(⁴)	32.7	517,221	5.7	10.3
Wis.....	10,877	90.5	.6	26,483	94.6	.8	11,725	71.3	4.8	147,359	91.0	1.1
Region VII:												
Ala.....	14,041	94.7	.2	48,609	98.7	.2	23,724	88.4	1.0	250,784	97.4	.4
Fla.....	5,753	85.3	1.2	26,108	92.3	1.1	8,736	69.9	3.4	74,367	77.6	2.8
Ga.....	9,342	91.1	2.1	22,456	92.3	2.9	15,771	81.1	2.4	175,459	95.4	.5
Miss.....	2,204	97.2	.6	8,918	97.8	.4	2,294	92.3	1.2	24,200	97.4	.4
S. C.....	693	90.0	2.0	5,102	95.5	.7	1,516	86.9	2.9	11,529	92.2	1.2
Tenn.....	8,071	81.4	2.0	27,771	89.3	2.6	14,182	44.7	8.2	118,347	46.2	4.0
Region VIII:												
Iowa.....	5,937	91.8	.9	19,645	95.5	.6	6,197	73.0	11.8	86,352	89.7	2.5
Minn.....	6,455	95.3	.3	14,293	97.0	.4	11,055	87.7	2.1	91,558	93.9	.8
Nebr.....	1,398	94.3	.9	2,421	91.3	2.3	1,985	82.8	2.2	17,584	92.6	.8
N. Dak.....	15	80.0	0	75	94.6	0	86	93.0	3.5	220	92.7	4.5
S. Dak.....	59	93.2	1.7	542	97.8	0	142	86.7	2.8	830	96.7	1.1
Region IX:												
Ark.....	3,443	68.8	.9	8,141	87.5	.5	7,781	79.1	1.5	57,253	87.1	.7
Kans.....	9,485	95.2	.4	19,769	93.4	.4	13,079	82.1	4.4	138,537	87.6	1.8
Mo.....	18,840	82.3	1.5	65,970	91.2	.9	34,197	70.8	8.1	408,649	85.9	2.0
Okla.....	9,701	89.0	.3	22,300	93.5	.5	9,902	41.5	3.2	129,439	43.4	1.1
Region X:												
La.....	7,678	96.7	.3	27,969	97.1	.5	15,273	51.9	1.8	127,557	63.2	.8
N. Mex.....	27	92.6	3.7	160	95.6	0	72	79.1	4.2	333	84.4	2.7
Tex.....	7,601	90.5	2.5	11,219	91.4	1.6	17,878	73.2	7.9	70,136	85.0	2.3
Region XI:												
Colo.....	402	90.8	1.7	1,621	72.4	15.8	1,000	88.7	1.6	6,732	96.0	.6
Idaho.....	252	99.2	0	1,887	97.5	.1	381	86.5	.7	982	92.4	.7
Mont.....	141	96.5	0	1,218	97.8	0	854	94.8	1.3	3,634	97.1	.3
Utah.....	382	89.0	.3	1,189	96.4	.1	2,054	92.3	.1	8,458	97.7	(⁵)
Wyo.....	4	75.0	0	35	85.7	5.7	26	80.9	3.8	113	90.3	1.8
Region XII:												
Ariz.....	2,692	98.4	.1	8,054	99.2	.1	2,324	90.7	(⁶)	23,906	95.6	.2
Calif.....	89,244	97.9	.6	320,618	96.6	1.2	(⁷)	—	—	(⁷)	—	—
Nev.....	112	98.2	0	408	99.6	0	304	97.4	.7	1,918	98.7	.2
Oreg.....	3,563	95.4	.4	8,526	96.6	.4	18,510	74.2	1.2	99,699	94.2	.5
Wash.....	8,960	96.4	.1	12,424	97.0	.2	35,448	86.0	1.3	217,009	94.2	.6
Territories:												
Alaska.....	5	60.0	0	91	94.5	0	217	90.3	0	469	88.3	.4
Hawaii.....	5	60.0	0	12	83.3	0	24	91.6	0	43	95.4	0

¹ Represents number of weeks elapsed between the end of the benefit period and the date of payment. The benefit period for total unemployment is 1 week in all States except Texas, where it is 2 weeks.

² Since Wisconsin State law does not provide for a benefit year, figure represents number of first pay-

ments in connection with each spell of unemployment.

³ Excludes California and Rhode Island; data not reported.

⁴ Less than 0.05 percent.

⁵ Represents actual figures for July and August and estimated figure for September.

than in the corresponding months in 1944, but the bulk of the year's rise came in July-December. In that same period, substantial decreases occurred in the promptness with which benefit payments were made.

Quarter	Number of first payments	Percent of first payments made—	
		Within 2 weeks	In 6 weeks or more
January-March.....	122,885	73.1	6.3
April-June.....	190,772	78.5	3.2
July-September.....	921,145	72.6	1.8
October-December.....	1,082,045	56.1	8.4

During the first quarter, 73 percent of the 122,900 first payments were made within 2 weeks, as compared with 79 percent of the 93,800 payments in the preceding quarter. During April-June the proportion of first payments made within 2 weeks increased even though the total volume was somewhat greater. Among the States issuing relatively more checks within a 2-week period were Florida, Illinois, Missouri, New Mexico, New York, Ohio, Oklahoma, and Pennsylvania, most of which also reported a greater volume of first payments. The proportion of payments made after 6 weeks was about half that in the first quarter.

During the third quarter, which included VJ-day, the volume increased nearly five times, and in consequence the proportion of the first payments made within 2 weeks dropped considerably. Twenty-six States evidenced increased promptness in making first payments, and six of them—Alabama, California, Maryland, Massachusetts, Missouri, and Wisconsin—each reported more than 10,000 payments. Twenty-nine States made 90 percent or more of their first payments within 2 weeks; Idaho led with 99 percent. At the other end of the scale, 11 States made less than the national average of 73 percent.

During the October-December quarter, 56 percent of first payments were made within 2 weeks, an all-time low for this type of payment. The volume of payments, however, passed the million mark, approaching the all-time high of 1.6 million established in the second quarter of 1940. Eight States—Alaska, Arkansas, Ha-

wai, Maine, Michigan, North Dakota, Utah, and Wyoming—were able to issue relatively more first benefit checks within 2 weeks than in July-September. In all but 1 of the 8, the number also increased. In 7 States,

on the other hand, smaller proportions of first payments were issued within 2 weeks, even though each had made fewer payments. Connecticut, for example, issued 35 percent of its 33,600 first payments within 2 weeks,

Table 10.—Number of first and second and subsequent interstate benefit payments for all types of unemployment, and percent of payments issued within 2 weeks and in 6 weeks or more,¹ by State and quarter, 1945

Social Security Board region and State	January-March						April-June					
	First payments			Second and subsequent payments			First payments			Second and subsequent payments		
	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—		Number
	With-in 2 weeks	In 6 weeks or more		With-in 2 weeks	In 6 weeks or more		With-in 2 weeks	In 6 weeks or more		With-in 2 weeks	In 6 weeks or more	
Total.....	7,174	48.3	15.6	60,882	61.5	0.1	7,655	53.8	10.0	46,197	64.0	10.5
Region I:												
Conn.....	321	50.8	11.8	2,806	79.7	5.6	366	57.6	10.9	1,527	71.8	12.8
Maine.....	37	59.5	8.1	460	79.8	5.4	83	54.2	9.6	337	57.8	11.3
Mass.....	167	62.2	11.4	1,687	80.7	5.6	141	58.1	12.1	880	81.9	4.2
N. H.....	21	95.2	0	414	97.1	0	53	94.3	0	252	97.2	0
R. I.....	163	70.6	6.1	1,369	85.9	2.0	211	82.4	1.4	1,059	91.4	.5
Vt.....	10	50.0	0	104	68.3	4.8	9	88.9	0	36	97.2	0
Region II-III:												
Del.....	34	94.1	0	285	96.7	.4	58	84.5	1.7	351	93.4	2.6
N. J.....	400	27.0	38.5	2,804	43.0	24.7	276	22.1	37.6	2,252	54.6	22.5
N. Y.....	865	48.8	9.9	10,664	52.4	8.5	1,182	42.5	4.7	6,097	58.2	11.1
Pa.....	254	44.5	17.7	2,104	72.2	7.6	156	71.8	11.5	1,113	72.6	11.1
Region IV:												
D. C.....	71	81.7	2.8	881	93.3	.3	31	83.8	3.2	530	92.1	1.3
Md.....	217	72.4	7.4	1,602	68.4	9.7	351	82.6	2.6	1,040	66.3	13.8
N. C.....	52	71.1	5.8	481	85.0	2.9	71	78.9	5.6	533	90.8	1.5
Va.....	118	71.2	4.2	1,032	90.7	1.9	78	73.1	12.8	407	81.5	8.1
W. Va.....	41	30.1	26.8	408	70.9	13.7	32	34.4	37.5	137	62.0	21.2
Region V:												
Ky.....	76	44.7	15.8	807	73.4	4.6	50	32.0	20.0	465	57.2	8.8
Mich.....	267	4.1	31.1	2,561	29.2	14.7	356	11.0	24.4	2,420	26.6	14.0
Ohio.....	160	59.4	10.0	1,372	81.4	4.2	66	68.2	9.1	791	84.1	4.8
Region VI:												
Ill.....	490	26.7	22.7	4,775	50.6	13.4	805	46.1	10.2	3,645	58.2	9.4
Ind.....	467	75.4	3.4	2,078	81.9	1.7	970	63.6	5.8	3,521	82.2	2.3
Wis.....	31	48.4	16.1	235	82.5	4.7	33	66.7	3.0	212	86.8	4.2
Region VII:												
Ala.....	74	71.6	2.7	565	90.7	1.6	123	70.7	2.4	1,131	94.3	.1
Fla.....	123	75.6	7.3	920	87.5	3.3	153	86.3	1.3	898	88.6	3.5
Ga.....	66	66.6	9.1	668	82.5	4.9	54	72.1	9.3	543	86.1	4.1
Miss.....	49	83.7	0	394	92.6	.8	31	77.3	6.5	329	92.4	0
S. C.....	15	80.0	0	145	93.1	0	17	70.6	0	123	89.4	0
Tenn.....	217	60.8	5.1	2,105	82.5	1.6	78	57.7	15.4	1,036	79.2	5.1
Region VIII:												
Iowa.....	27	55.6	14.8	177	80.8	3.4	12	50.0	16.7	89	69.7	6.7
Minn.....	16	18.8	25.0	154	73.5	7.1	20	45.0	20.0	175	71.4	6.9
Nebr.....	24	70.8	4.2	185	79.4	2.2	7	85.7	0	62	85.5	1.6
N. Dak.....	2	100.0	0	42	95.2	2.4	2	50.0	50.0	14	71.4	14.3
S. Dak.....	8	75.0	12.5	48	81.2	6.3	5	60.0	20.0	30	83.3	0
Region IX:												
Ark.....	46	78.3	6.5	363	80.5	7.7	35	71.4	0	179	86.1	0
Kans.....	75	64.0	12.0	772	72.0	4.0	77	64.9	10.4	416	61.5	9.1
Mo.....	180	68.3	6.7	1,534	83.4	2.1	158	68.3	7.0	1,184	82.8	3.0
Okl.....	50	22.0	12.0	438	59.5	6.4	57	52.7	10.5	371	74.1	7.0
Region X:												
La.....	81	81.5	3.7	724	91.0	.1	108	89.8	3.7	816	91.2	2.5
N. Mex.....	10	50.0	20.0	75	69.3	5.3	10	60.0	10.0	42	76.2	0
Tex.....	106	25.4	32.1	376	65.7	10.4	101	28.7	17.8	347	69.7	5.2
Region XI:												
Colo.....	21	61.9	0	26	84.6	0	28	71.4	0	121	73.5	1.7
Idaho.....	45	64.4	0	281	54.1	1.1	3	34.3	33.1	62	71.0	3.2
Mont.....	3	66.7	0	57	68.4	17.5	3	109.0	0	24	91.7	0
Utah.....	50	56.0	2.0	431	85.7	.9	22	77.3	0	310	81.6	.6
Wyo.....	10	40.0	30.0	22	31.8	18.2	5	0	40.0	25	24.0	8.0
Region XII:												
Ariz.....	47	80.8	0	198	85.3	1.0	25	80.0	0	160	83.1	.6
Calif.....	1,096	22.6	31.2	9,292	28.4	18.3	531	30.0	24.3	6,242	22.1	29.0
Nev.....	24	83.3	0	218	92.2	0	6	83.3	0	195	91.8	1.5
Oreg.....	131	66.4	9.9	500	73.8	6.4	151	78.9	3.3	843	85.6	3.2
Wash.....	293	54.6	5.8	1,612	78.1	2.2	431	69.6	5.6	2,668	80.4	2.1
Territories:												
Alaska.....	31	32.3	0	212	48.1	0	24	16.7	8.3	154	30.5	.6
Hawaii.....	2	0	50.0	19	8.3	21.1	0	0	0	3	0	0

See footnotes at end of table.

as compared with 71 percent of the 39,800 first payments in the preceding quarter. Only 11 States issued as

much as 90 percent of their first benefit checks within 2 weeks in the fourth quarter, in contrast to 29 in

Table 10.—Number of first and second and subsequent interstate benefit payments for all types of unemployment, and percent of payments issued within 2 weeks and in 6 weeks or more,¹ by State and quarter, 1945—Continued

Social Security Board region and State	July-September						October-December					
	First payments			Second and subsequent payments			First payments			Second and subsequent payments		
	Number	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—		Number	Percent of payments made—	
		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more		Within 2 weeks	In 6 weeks or more
Total.....	26,546	64.9	6.7	107,805	62.4	7.2	76,909	28.7	21.7	629,402	38.4	15.1
Region I:												
Conn.....	1,896	75.9	2.1	4,816	85.9	2.4	1,553	38.8	11.2	37,048	62.5	5.0
Maine.....	74	46.0	16.2	453	60.9	11.5	255	32.5	16.1	1,743	47.5	7.9
Mass.....	644	75.8	2.3	2,122	87.8	1.8	935	50.1	12.6	10,788	82.0	1.8
N. H.....	95	86.3	0	351	95.5	0	185	83.8	1.6	1,843	95.9	.3
R. I.....	794	82.2	1.1	3,213	90.7	.7	(²)			(²)		
Vt.....	43	69.8	11.6	136	82.3	5.9	110	72.7	15.5	876	89.6	2.4
Region II-III:												
Del.....	245	91.0	1.6	1,004	94.1	1.4	417	86.3	2.9	4,428	92.5	.7
N. J.....	475	13.5	22.5	2,475	25.8	17.4	4,615	18.8	21.5	35,619	44.4	11.4
N. Y.....	2,292	54.8	5.7	13,234	66.8	1.2	4,853	32.3	8.8	47,739	39.3	3.6
Pa.....	807	63.0	4.8	2,457	63.6	6.5	1,959	45.4	12.8	15,462	64.7	3.3
Region IV:												
D. C.....	41	80.4	0	252	86.9	2.0	222	29.2	12.6	1,316	65.1	3.6
Md.....	3,005	92.9	1.3	8,702	84.4	3.5	5,786	87.7	2.0	65,343	82.4	2.4
N. C.....	832	98.4	.4	3,027	92.8	.4	806	56.4	7.9	13,767	90.1	1.3
Va.....	266	75.9	3.8	772	87.9	2.3	714	65.8	4.8	3,974	76.1	1.9
W. Va.....	152	75.0	8.6	479	75.0	7.7	596	17.6	17.3	4,441	32.5	5.9
Region V:												
Ky.....	156	30.2	5.1	746	42.1	4.6	541	5.9	21.8	4,121	3.2	7.5
Mich.....	964	1.3	69.4	6,784	5.9	39.0	7,180	.1	67.1	56,669	1.0	57.2
Ohio.....	405	72.8	4.0	1,411	79.3	3.2	4,240	7.4	18.3	29,772	8.0	8.5
Region VI:												
Ill.....	1,523	53.7	6.4	8,453	59.0	5.5	3,398	9.0	22.9	33,520	9.8	8.9
Ind.....	1,083	23.5	11.1	7,172	38.1	7.5	5,932	0	82.9	41,893	0	86.5
Wis.....	186	37.1	5.9	494	52.1	5.7	898	29.4	19.4	7,099	57.2	6.5
Region VII:												
Ala.....	470	94.3	.6	2,098	93.4	.9	1,810	32.6	5.4	13,539	35.5	2.8
Fla.....	460	71.1	2.8	1,897	71.0	3.2	1,678	49.2	5.5	11,254	68.0	5.6
Ga.....	203	75.5	3.4	831	80.3	5.7	1,330	25.6	10.5	9,399	37.0	4.5
Miss.....	151	89.5	2.6	629	93.7	1.7	374	87.8	2.4	2,860	93.1	1.2
S. C.....	28	74.0	3.6	148	88.5	2.0	109	50.4	13.8	624	72.8	4.3
Tenn.....	806	75.9	2.6	1,901	73.1	5.8	3,292	33.0	7.7	18,361	28.2	8.0
Region VIII:												
Iowa.....	54	46.3	11.1	175	52.5	4.6	391	19.7	17.4	2,635	26.8	6.0
Minn.....	53	60.3	5.7	205	74.1	4.9	337	38.3	16.3	2,507	70.4	3.8
Nebr.....	90	83.3	5.6	142	81.8	7.0	389	65.1	5.4	2,756	81.4	1.1
N. Dak.....	3	66.7	0	13	100.0	0	25	64.0	16.0	83	70.0	10.8
S. Dak.....	8	50.0	12.5	42	85.7	0	5	60.0	20.0	79	69.6	0
Region IX:												
Ark.....	128	57.1	3.1	301	85.3	.7	475	49.5	3.8	1,985	51.5	2.2
Kans.....	2,081	89.8	.9	2,916	84.9	3.9	4,239	26.0	9.8	30,776	5.4	8.1
Mo.....	4926	67.4	2.7	4,171	76.8	2.3	2,617	43.1	18.5	22,960	63.2	5.1
Okla.....	325	43.0	3.4	943	64.1	2.5	876	15.5	11.9	7,518	29.6	3.2
Region X:												
La.....	372	84.1	2.2	1,524	88.6	2.6	1,181	51.4	5.0	9,610	58.5	1.7
N. Mex.....	28	85.8	0	128	93.7	0	69	43.5	2.9	492	77.5	.6
Tex.....	180	42.2	18.3	554	60.3	9.4	1,388	8.1	21.3	3,847	32.3	8.8
Region XI:												
Colo.....	48	72.9	0	200	73.5	0	191	65.5	1.0	904	76.7	1.0
Idaho.....	6	66.6	0	16	68.7	0	61	60.6	0	183	75.9	0
Mont.....	20	100.0	0	44	97.7	0	92	91.3	1.1	398	93.2	.5
Utah.....	65	67.7	0	266	88.7	.4	162	72.3	4.9	1,116	84.6	.9
Wyo.....	10	60.0	0	32	65.6	0	74	63.5	6.8	334	69.1	8.4
Region XII:												
Ariz.....	228	62.2	.5	712	79.9	1.8	519	31.8	8.7	3,511	42.4	2.9
Calif.....	1,574	23.1	14.6	11,948	25.9	15.9	(²)			(²)		
Nev.....	45	86.0	0	183	96.8	0	137	84.7	1.5	1,072	87.3	.5
Oreg.....	568	81.0	2.3	2,192	86.5	1.3	2,890	47.9	3.0	16,145	57.5	1.9
Wash.....	1,581	58.2	1.0	4,830	67.4	1.3	6,813	10.7	6.0	44,040	9.7	3.1
Territories:												
Alaska.....	56	53.6	3.6	207	50.2	0	493	42.6	1.8	2,254	54.0	1.6
Hawaii.....	1	0	0	4	25.0	0	17	0	11.8	60	8.7	10.1

¹ Represents number of weeks elapsed between the end of the benefit period and the date of payment. The benefit period for total unemployment is 1 week in all States except Texas, where it is 2 weeks.

² Since Wisconsin State law does not provide for a benefit year, figure represents number of first pay-

ments in connection with each spell of unemployment.

³ Excludes California and Rhode Island; data not reported.

⁴ Represents actual figures for July and August and estimated figure for September.

the third quarter; on the other hand, 19 States, accounting for more than three-fifths of all first payments, issued less than 75 percent within 2 weeks. Eight percent of all first payments were made after 6 weeks. In 5 States the proportion was more than 10 percent, with a range from 10 percent in Illinois to 33 percent in Indiana.

Intrastate Second and Subsequent Payments

The number of intrastate second and subsequent payments made during 1945 totaled 17.8 million, or nearly six times the number in 1944. More than two-thirds of them were concentrated in the fourth quarter.

Quarter	Number of second and subsequent payments	Percent of second and subsequent payments made—	
		Within 2 weeks	In 6 weeks or more
January-March.....	977,371	88.0	2.7
April-June.....	989,751	90.8	2.2
July-September.....	3,219,160	86.8	2.0
October-December.....	12,578,936	76.4	2.2

During January-March, 27 States made more than 90 percent of these payments within 2 weeks, among them all States in Regions I, VIII, and XII. In the second quarter, 39 States made 90 percent or a higher proportion of these payments within 2 weeks even though their volume of payments was larger. Michigan's record was outstanding; 83 percent of the 213,900 second and subsequent payments in the second quarter were issued within 2 weeks, as compared with 72 percent of the 148,000 payments in the first quarter.

Even though the third-quarter second and subsequent payments were more than three times the number in the preceding quarter, the proportion made within 2 weeks dropped only from 91 to 87 percent. Forty-five States bettered the national average, and only four—Colorado, Illinois, Michigan, and New Jersey—made less than 80 percent within 2 weeks. Seven States made all these payments in less than 6 weeks.

In the fourth quarter, the 76 percent issued within 2 weeks was the lowest proportion on record for this type of payment. The volume, how-

ever, was the highest for any quarter since the beginning of the program. Twenty-seven States made more than 90 percent of their payments within 2 weeks, including all States in Regions XI and XII. Despite the tremendous increase in volume over the preceding quarter, nine States increased their promptness for second and subsequent payments. Among these were Georgia, Nebraska, New Jersey, and Utah, where the number of payments increased more than six times.

In Connecticut the proportion of second and subsequent payments made within 2 weeks dropped from 90 percent in the third quarter to 41 percent in the fourth quarter; in Illinois, from 79 to 55 percent; in Indiana, from 91 to 6 percent; in Louisiana, from 97 to 63 percent; in Oklahoma, from 94 to 43 percent; and in Tennessee, from 89 to 46 percent. Twenty-five States issued less than 1 percent of their payments in 6 weeks or more. This proportion, however, was 4 percent or more in Indiana, North Dakota, Michigan, and Tennessee.

Interstate First Payments

The volume of interstate first payments made during the first 6 months of 1945 was small, averaging 7,400 for the 2 quarters.

Quarter	Number of first payments	Percent of first payments made—	
		Within 2 weeks	In 6 weeks or more
January-March.....	7,174	48.3	15.6
April-June.....	7,655	53.8	10.0
July-September.....	26,546	64.9	6.7
October-December.....	76,909	28.7	21.7

Only California, Indiana, and New York made as many as 1,000 payments in either quarter. Most States made less than 500.

Twelve States—Alaska, California, Hawaii, Illinois, Kentucky, Michigan, Minnesota, New Jersey, Oklahoma, Texas, West Virginia, and Wyoming—reported less than the national average of payments made within 2 weeks in both quarters; on the other hand, 6 States—Arizona, Delaware, the District of Columbia, Louisiana, Nevada, and New Hampshire—paid more than 80 percent.

The rate of interstate first payments improved during the third quarter. Five States, including Maryland, which reported the largest number of payments, issued more than 90 percent within 2 weeks. In the fourth quarter, however, the promptness with which payments were made declined sharply, while the volume of payments increased nearly three times. Only 29 percent of the first payments were made within 2 weeks as compared with 65 percent in July-September, though five States—New Jersey, South Dakota, Utah, Vermont, and Wyoming—increased their proportions.

More than 80 percent of interstate first payments were made within 2 weeks in six States, including Maryland, which was fourth in the number of payments. Less than one-tenth of these payments were made within 2 weeks in seven States, including all States in Region V. Indiana and Hawaii made no payments of this type within 2 weeks. The percent of payments made in 6 weeks or more was more than three times that in the third quarter.

Interstate Second and Subsequent Payments

During the first 2 quarters of 1945, seven States issued 90 percent or more of their interstate second and subsequent payments within a 2-week period. In eight other States, this proportion was under the national average. The latter group included many industrial States with large volumes of payments.

During July-September, payments of this type more than doubled the number in the second quarter, and the proportion issued within 2 weeks was slightly lower.

Quarter	Number of second and subsequent payments	Percent of second and subsequent payments made—	
		Within 2 weeks	In 6 weeks or more
January-March.....	60,882	61.5	9.1
April-June.....	46,197	64.0	10.5
July-September.....	107,805	62.4	7.2
October-December.....	629,402	38.4	15.1

Only 10 States, most of which made less than 1,000 payments of this type, issued 90 percent or more within 2 weeks. At the other extreme were

four States—California, Hawaii, Michigan, and New Jersey—which issued less than 30 percent within 2 weeks.

In the fourth quarter, only 38 percent of the payments were made within 2 weeks, probably because the volume was nearly six times that of the third quarter. A few States, however, increased the proportion. New Jersey, for example, in which the number rose from 2,500 in the third quarter to 35,600, and Pennsylvania, where payments went from 2,500 to 15,500, both increased the proportion of payments issued within 2 weeks. Delaware, Mississippi, Montana, New Hampshire, North Carolina, and Vermont issued 90 percent within 2 weeks, while eight States, on the other hand—Hawaii, Illinois, Indiana, Kansas, Kentucky, Michigan, Ohio, and Washington—made less than 10 percent. Many of these eight, however, were among the States with the largest increase in volume of payments. The proportion of payments made within 2 weeks dropped in Illinois from 60 percent in the third quarter to 10 percent in the fourth quarter; in Kansas, from 85 to 5 percent; in Ohio, from 79 to 8 percent; and in Washington, from 67 to 10 percent.

Indiana and Michigan made 86 and 57 percent, respectively, of their second and subsequent interstate payments in 6 weeks or more.

Nonfarm Placements

More nonfarm placements were made in March—421,000—than in any month since November 1945. All but 4 States shared in the increase from February, which ranged from 0.5 percent in Illinois to 73 percent in Idaho. The largest decrease occurred in Maine, with a 26-percent drop.

Although placements of women increased 10 percent, they were a slightly smaller proportion of all placements than in the preceding month. Seven States reported fewer placements of women, the decreases ranging from 41 percent in Maine to 5 percent in Illinois and North Dakota. Women were placed in more than half the new jobs in the District of Columbia and in more than one-fourth of the jobs in 25 other States; in February about half the jobs in New York and Delaware and more

than one-fourth of those in 27 other States went to women.

Veterans' placements increased by 26 percent to 162,000, or almost two-fifths of all nonfarm placements as against about one-third in February. They constituted more than half of the placements of men in all but 6 States, as compared with all but 11 States in February. Although Maine and New Hampshire reported decreases, veterans' placements were still more than half of the placements of all men in these States.

Decreases in placements in mining

Table 11.—Nonfarm placements by State, March 1946

U. S. Employment Service region and State	Total	Women	Veterans ¹
Total.....	420,542	132,091	162,381
Region I:			
Connecticut.....	7,127	2,741	2,392
Maine.....	2,352	609	1,004
Massachusetts.....	8,468	2,909	3,450
New Hampshire.....	1,656	464	741
Rhode Island.....	1,783	587	737
Vermont.....	839	200	464
Region II:			
New York.....	59,451	31,887	13,392
Region III:			
Delaware.....	742	248	229
New Jersey.....	12,258	5,593	3,030
Pennsylvania.....	17,777	5,998	8,067
Region IV:			
District of Columbia.....	3,375	951	1,052
Maryland.....	4,531	1,032	1,853
North Carolina.....	8,813	2,346	3,917
Virginia.....	8,242	2,482	3,268
West Virginia.....	3,107	1,005	1,142
Region V:			
Kentucky.....	2,842	838	1,184
Michigan.....	12,799	2,545	6,501
Ohio.....	21,530	6,445	8,270
Region VI:			
Illinois.....	14,400	3,960	7,097
Indiana.....	8,155	2,622	3,088
Wisconsin.....	8,109	2,412	4,087
Region VII:			
Alabama.....	13,656	2,792	4,630
Florida.....	11,852	4,436	4,862
Georgia.....	9,268	2,057	3,813
Mississippi.....	3,926	981	1,956
South Carolina.....	4,674	1,072	1,833
Tennessee.....	7,690	2,210	2,979
Region VIII:			
Iowa.....	6,454	1,476	3,667
Minnesota.....	8,631	1,764	3,902
Nebraska.....	3,063	510	1,424
North Dakota.....	1,126	163	505
South Dakota.....	1,103	208	613
Region IX:			
Arkansas.....	6,759	2,144	2,136
Kansas.....	5,459	1,315	2,347
Missouri.....	10,333	3,334	4,012
Oklahoma.....	8,542	2,006	3,564
Region X:			
Louisiana.....	4,613	1,150	2,055
New Mexico.....	2,117	316	1,098
Texas.....	32,819	8,396	12,446
Region XI:			
Colorado.....	4,713	762	2,173
Idaho.....	2,382	388	1,415
Montana.....	1,487	215	785
Utah.....	2,453	535	1,003
Wyoming.....	910	164	441
Region XII:			
Arizona.....	3,590	983	1,355
California.....	36,563	11,190	14,700
Nevada.....	2,071	521	789
Oregon.....	7,073	1,377	3,231
Washington.....	8,829	1,752	3,652

¹ Represents placements of veterans of all wars.

Source: Department of Labor, U. S. Employment Service.

and coal-products industries reflected the unrest in the coal industry. The 18-percent decrease in placements in

special government projects was probably due to a shortage of funds just before the end of the fiscal year.

Old-Age and Survivors Insurance

Monthly Benefits in Force in Ten Metropolitan Areas

More than a third of the beneficiaries for whom monthly benefits were in force at the end of June 1945 lived in the 10 largest metropolitan areas.¹ These areas, which had an estimated 26 percent of the country's civilian population on March 1, 1943, ac-

counted for 36 percent of all benefits in force (1.3 million) and 39 percent of the total monthly amount (\$23.6 million) at the end of June 1945.

Except for Boston and Detroit, all areas had about the same ratio of beneficiaries to population; Boston's was considerably higher and Detroit's lower. Detroit, on the other hand, had the highest average benefits in force for nearly all types of benefits, while St. Louis had the lowest average for all but primary and parent's (table 2). Primary benefits varied most among the areas, ranging from \$26.82 in Detroit to \$23.35 in Los Angeles. Except for primary benefits in Los Angeles and widow's benefits in St. Louis, the average for each type of benefit was greater in each of the metropolitan areas than in the country as a whole.

Most of the areas had a higher proportion of primary beneficiaries than that for the whole country (40 percent). The variation among the areas—from 49 percent in San Francisco to 30 percent in Detroit (table 3)—is due principally to the difference in age composition of the population. Los Angeles, San Francisco, and Boston, according to census data, have the greatest relative number of persons aged 65 or over, and these three areas had the highest proportion of primary beneficiaries. Detroit and Cleveland, with the smallest relative number of aged persons, had

¹ Definition and estimated population taken from Bureau of the Census release, Series P-3, No. 40, January 7, 1944. The areas are defined as follows:

New York and Northeastern New Jersey: Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, and Westchester Counties, New York; Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic, and Union Counties, New Jersey.

Chicago: Cook, Du Page, and Lake Counties, Illinois; Lake County, Indiana. Los Angeles: Los Angeles and Orange Counties, California.

Philadelphia: Delaware, Montgomery, and Philadelphia Counties, Pennsylvania; Burlington, Camden, and Gloucester Counties, New Jersey.

Boston: Essex, Middlesex, Norfolk, Plymouth, and Suffolk Counties, Massachusetts.

Detroit: Macomb, Oakland, and Wayne Counties, Michigan.

Pittsburgh: Allegheny, Fayette, Washington, and Westmoreland Counties, Pennsylvania.

San Francisco and Oakland: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Solano Counties, California.

St. Louis: St. Louis City, St. Charles and St. Louis Counties, Missouri; Madison and St. Clair Counties, Illinois.

Cleveland: Cuyahoga County, Ohio.

Table 1.—Number of monthly benefits in force as of June 30, 1945, for residents of the ten largest metropolitan areas, by type of benefit

Metropolitan area ¹	Total	Primary	Wife's	Child's	Widow's	Widow's current	Parent's
United States.....	1,284,679	519,186	153,521	378,315	83,007	144,923	5,727
New York and Northeastern New Jersey.....	156,754	67,832	21,110	36,049	12,326	18,697	740
Chicago.....	58,480	23,514	7,190	16,015	4,186	7,280	295
Los Angeles.....	41,481	19,656	5,505	9,339	2,478	4,237	176
Philadelphia.....	40,485	16,441	5,301	10,098	3,866	4,565	214
Boston.....	51,695	22,717	7,191	11,686	4,674	5,219	208
Detroit.....	25,071	7,503	2,419	9,413	1,586	4,028	112
Pittsburgh.....	30,797	11,912	3,886	9,252	1,897	4,005	145
San Francisco and Oakland.....	20,333	9,939	2,551	4,435	1,268	2,069	71
St. Louis.....	18,841	8,072	2,628	4,531	1,570	1,933	107
Cleveland.....	15,420	5,925	1,892	4,213	1,319	2,001	70

¹ See text footnote 1.

Table 2.—Average amount of monthly benefits in force as of June 30, 1945, for residents of the ten largest metropolitan areas, by type of benefit

Metropolitan area ¹	Primary	Wife's	Child's	Widow's	Widow's current	Parent's
United States.....	\$23.80	\$12.62	\$12.40	\$20.15	\$19.81	\$13.07
New York and Northeastern						
New Jersey.....	24.80	13.16	13.82	20.87	21.52	14.35
Chicago.....	26.34	13.99	14.22	21.61	22.15	14.41
Los Angeles.....	23.35	13.00	13.53	20.30	21.07	14.32
Philadelphia.....	24.82	13.22	13.64	20.37	21.11	13.45
Boston.....	25.09	13.67	13.65	21.25	21.01	13.76
Detroit.....	26.82	14.22	14.72	21.71	22.41	16.42
Pittsburgh.....	25.83	13.74	13.62	21.08	20.94	13.34
San Francisco and Oakland.....	25.89	13.79	14.24	21.72	21.39	14.17
St. Louis.....	24.46	12.98	13.04	20.07	20.76	13.53
Cleveland.....	26.31	14.17	14.17	21.32	21.90	13.34

¹ See text footnote 1.

Table 3.—Percentage distribution of the number of monthly benefits in force as of June 30, 1945, for residents of the ten largest metropolitan areas, by type of benefit

Metropolitan area ¹	Total	Primary	Wife's	Child's	Widow's	Widow's current	Parent's
United States.....	100.0	40.4	12.0	29.4	6.5	11.3	0.4
New York and Northeastern							
New Jersey.....	100.0	43.2	13.5	23.0	7.9	11.9	.5
Chicago.....	100.0	40.2	12.3	27.4	7.2	12.4	.5
Los Angeles.....	100.0	47.4	13.5	22.5	6.0	10.2	.4
Philadelphia.....	100.0	40.7	13.1	24.9	9.5	11.3	.5
Boston.....	100.0	44.0	13.9	22.6	9.0	10.1	.4
Detroit.....	100.0	30.0	9.6	37.5	6.4	16.1	.4
Pittsburgh.....	100.0	38.7	11.6	30.0	6.2	13.0	.5
San Francisco and Oakland.....	100.0	49.0	12.5	21.8	6.2	10.2	.3
St. Louis.....	100.0	42.9	13.9	24.0	8.3	10.3	.6
Cleveland.....	100.0	38.3	12.3	27.3	8.6	13.0	.5

¹ See text footnote 1.Table 4.—Monthly benefits in force¹ in each payment status,² actions effected during the month, and payments certified, by type of benefit, March 1946

[Current month's data corrected to Apr. 17, 1946]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Feb. 28, 1946.....	1,540,820	\$28,928,848	648,840	\$15,768,178	192,142	\$2,467,984	431,474	\$5,372,407	100,202	\$2,023,249	161,700	\$3,212,645	6,462	\$84,385
Current-payment status.....	1,362,473	25,374,276	558,757	13,599,651	171,057	2,203,744	404,092	5,040,519	98,531	1,989,941	123,670	2,457,260	6,366	83,161
Deferred-payment status.....	5,068	94,784	2,666	59,729	481	5,993	1,007	12,172	150	3,129	756	13,686	8	75
Conditional-payment status.....	173,279	3,459,788	87,417	2,108,798	20,604	258,247	26,375	319,716	1,521	30,179	37,274	741,699	88	1,140
Suspended.....	137,120	2,666,696	71,358	1,652,407	15,694	189,570	21,557	259,685	934	18,320	27,501	545,722	76	992
Frozen.....	36,159	793,092	16,059	456,391	4,910	68,677	4,818	60,031	587	11,859	9,773	195,977	12	157
Actions during March 1946:														
Benefits awarded.....	53,445	1,083,329	26,539	676,686	8,635	114,552	10,653	138,551	3,226	64,874	4,244	86,815	138	1,851
Entitlements terminated ³	11,004	200,503	3,533	86,048	1,754	22,377	3,150	41,261	334	6,379	2,190	43,849	43	589
Net adjustments ⁴	-136	11,018	-21	8,501	26	1,535	-125	572	-3	-78	-12	503	-1	-15
In force as of Mar. 31, 1946.....	1,583,125	29,822,692	671,825	16,367,317	199,049	2,561,694	438,852	5,470,269	103,101	2,081,666	163,742	3,256,114	6,556	85,632
Current-payment status.....	1,403,698	26,232,571	581,084	14,171,816	177,795	2,293,608	411,429	5,138,220	101,409	2,048,077	125,515	2,496,347	6,466	84,503
Deferred-payment status.....	5,163	95,850	2,701	60,264	465	5,892	1,098	13,257	157	3,179	734	13,181	8	77
Conditional-payment status.....	174,264	3,494,271	88,040	2,135,237	20,789	262,194	26,325	318,792	1,535	30,410	37,493	746,586	82	1,052
Suspended.....	137,102	2,676,507	71,274	1,658,870	15,723	191,137	21,449	258,069	936	18,342	27,647	549,150	73	939
Frozen.....	37,162	817,764	16,766	476,367	5,066	71,057	4,876	60,723	599	12,068	9,846	197,436	9	113
Payments certified in March ⁵		\$30,473,590		\$15,158,796		\$2,475,221		\$5,566,323		\$2,189,346		\$3,734,152		\$91,534

¹ Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.² Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for an indefinite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.³ Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, sec. 202.⁴ Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.⁵ Distribution by type of benefit estimated; includes retroactive payments.⁶ Includes \$2,261,778 paid as lump-sum benefits under 1939 amendments (payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died) and \$1,400 paid as lump-sum benefits under 1935 act (payable with respect to workers who died before January 1940).

the lowest proportion of primary beneficiaries.

Current Operations

Monthly Benefits in Force and Payments Certified, March 1946

Monthly benefits totaling \$29.8 million were in force at the end of March for almost 1.6 million beneficiaries (table 4). The number and amount of benefits in force increased 2.7 percent and 3.1 percent, respectively, during the month.

More than 53,400 awards were processed in March, an increase of 13 percent over February and the highest monthly total to date. While for primary, wife's, and widow's benefits the number of awards was greater than in any previous month, awards of widow's current and child's benefits were considerably less than during the early months of 1945, when the number was augmented by claims arising from war deaths.

At the end of March, 88.7 percent of the total number of benefits in force were in current-payment status, the highest proportion since June 1942. For each type of benefit the proportion in deferred or conditional-payment status decreased slightly during March. At the end of the month, 23

percent of the widow's current benefits and 13 percent of the primary benefits in force were in conditional-payment status.

Monthly benefit certifications totaled \$28.2 million, 4 percent more than in February. Certifications of lump-sum death payments amounted to \$2.3 million, or 5 percent more.

Employers, Workers, and Taxable Wages, Fourth Quarter, 1945

In 1945, for the first time since 1938, the upward trend in total annual taxable wages and average annual taxable wages was reversed. Total taxable wages, estimated at \$32.7 billion, declined 2.6 percent, and average taxable wages, estimated at \$1,373, were

1.4 percent less than in 1944. These decreases resulted from declining war production in the second half of the year, which brought reduced employment and lower weekly earnings in many industries. Total taxable wages in the third quarter of 1945 were 7.9 percent less, and in the fourth quarter 7.4 percent less, than in the corresponding quarters of 1944, whereas average taxable wages declined only 2.5 and 1.6 percent, respectively.

The total number of persons engaged in covered employment at some time during 1945 also declined, but the relative decrease was smaller than in 1944 because labor turn-over increased appreciably with the end of the war. Many workers withdrew from covered employment, but at the same time demobilized servicemen began to return to civilian employment. Continuing the trend which began in the fourth quarter of 1943, covered employment in each quarter of 1945 was smaller than in the corresponding quarter of the preceding year. The number of workers for whom taxable wages were reported in the fourth quarter of 1945 was 5.0 percent less than in the preceding quarter. This decline not only follows the seasonal pattern observed since 1941, which results from the operation of the \$3,000 limitation on taxable wages, but also reflects reduced employment in nonagricultural establishments.

The upward trend in the estimated number of employers reporting taxable wages, which began in 1944, continued in 1945 but at a much faster rate. The 2.6 million employers reporting 1945 wages represented an increase of 6 percent over the number in 1944, as compared with a 1943-44 increase of 3 percent. The number of employers reporting wages paid in the first, second, third, and fourth quarters of 1945 increased 3.3 percent, 4.9 percent, 8.7 percent, and 4.1 percent, respectively, over the corresponding quarter of 1944. The number reporting in each quarter of 1944 exceeded the number in the corresponding quarter of 1943 by only 2 percent. The accelerated rate of increase is, of course, the result of the increase in new businesses and in reorganizations since the end of hostilities.

Table 5.—Estimated number of employers and workers and estimated amount of taxable wages included under the old-age and survivors insurance program, by specified period, 1937-45¹

[Corrected to May 1, 1946]

Year and quarter	Employers reporting taxable wages ² (in thousands)	Workers with taxable wages during period ³ (in thousands)	Taxable wages ⁴	
			Total (in millions)	Average per worker
1937.....	2,421	32,904	\$29,615	\$900
1938.....	2,239	31,822	26,502	833
1939.....	2,366	33,751	29,745	881
1940.....	2,500	35,393	32,974	932
1941.....	2,646	40,976	41,763	1,019
1942.....	2,655	46,363	52,939	1,142
1943.....	2,394	47,656	62,423	1,310
1944 ⁵	2,469	46,296	64,426	1,392
1945 ⁵	2,614	45,696	62,746	1,373
1938				
January-March.....	1,880	25,332	6,580	260
April-June.....	1,933	25,423	6,578	259
July-September.....	1,960	26,252	6,547	249
October-December.....	1,975	26,759	6,797	254
1939				
January-March.....	1,967	25,856	7,281	282
April-June.....	2,034	27,245	7,445	273
July-September.....	2,065	28,022	7,445	266
October-December.....	2,103	28,851	7,674	263
1940				
January-March.....	2,069	27,314	8,060	295
April-June.....	2,141	28,345	8,094	286
July-September.....	2,167	29,542	8,222	278
October-December.....	2,177	30,280	8,598	284
1941				
January-March.....	2,188	30,389	9,501	313
April-June.....	2,249	32,634	10,285	315
July-September.....	2,284	34,522	10,824	314
October-December.....	2,267	34,051	11,153	328
1942				
January-March.....	2,204	33,771	12,112	359
April-June.....	2,183	35,509	13,163	371
July-September.....	2,119	36,977	13,786	373
October-December.....	2,038	36,656	13,878	379
1943				
January-March.....	1,971	36,537	15,462	423
April-June.....	2,008	37,483	16,561	442
July-September.....	1,998	37,682	15,838	420
October-December.....	2,001	36,016	14,562	404
1944				
January-March ⁵	2,010	36,326	17,362	478
April-June ⁵	2,048	36,893	17,284	468
July-September ⁵	2,038	37,301	16,243	435
October-December ⁵	2,039	35,629	13,537	380
1945				
January-March ⁵	2,076	35,855	17,874	499
April-June ⁵	2,148	36,045	17,377	482
July-September ⁵	2,215	35,277	14,957	424
October-December ⁵	2,123	33,527	12,538	374

¹ Significant revisions have been made in both annual and quarterly estimates on the basis of new information.

² Number corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

³ Excludes estimated duplication arising from recording of wages of some workers under more than 1 account. Quarterly estimates exclude workers

whose earnings in covered employment were not reported in the quarter because of the \$3,000 limitation on taxable wages.

⁴ Includes nontaxable wages erroneously reported and wages not counted in determining insurance benefits. All wages over \$3,000 a year paid to a worker by a single employer are not taxable. Beginning with 1940 all wages in excess of \$3,000 a year received by any 1 worker are excluded in benefit computations.

⁵ Preliminary.

Monthly Benefits and Lump-Sum Payments Awarded, January-March 1946

During the first quarter of 1946, more than 147,000 monthly benefits were awarded (table 6), an increase of 10 percent over awards in the preceding quarter and of 41 percent from those in the first quarter of 1945.

Awards of primary and wife's benefits outnumbered those in any previous quarter. The number of these awards has increased greatly since the cessation of hostilities, as many older workers lost their employment and filed for benefits. Primary benefits awarded during the first quarter of 1946 were more than double the number awarded during the first quarter of 1945.

For all types of survivor benefits except parent's, the number of awards was somewhat larger than during the preceding quarter. Awards of survivor benefits are generally more numerous at this time of year because of high mortality rates during the winter months. The number of widow's current and child's benefits awarded was considerably less than in the first and second quarters of 1945, however, with the drop in claims arising from war deaths.

Awards of lump-sum death payments increased 13 percent over those in the preceding quarter but were less than in the first 2 quarters of 1945.

Table 6.—Number of monthly benefits and lump-sum death payments awarded, by type of benefit and by quarter, 1940-46

[Corrected to Apr. 17, 1946]

Year and quarter	Monthly benefits							Lump-sum death payments ¹
	Total	Primary	Wife's	Child's	Widow's	Widow's current	Parent's	
1940								
Jan.-Mar.....	40,780	28,211	4,366	5,978	168	2,057	0	7,046
Apr.-June.....	67,824	33,955	8,468	17,408	885	6,885	223	19,074
July-Sept.....	76,113	38,245	11,981	17,220	1,560	6,782	323	23,793
Oct.-Dec.....	70,267	31,924	9,740	18,776	1,987	7,536	304	25,182
1941								
Jan.-Mar.....	74,567	32,802	9,901	20,597	2,703	8,227	337	30,633
Apr.-June.....	66,074	28,879	8,962	18,021	2,617	7,278	317	28,210
July-Sept.....	65,593	27,238	8,898	18,745	2,787	7,632	298	29,610
Oct.-Dec.....	63,052	25,741	8,452	18,256	2,914	7,365	324	28,850
1942								
Jan.-Mar.....	68,181	27,609	9,161	19,596	3,505	8,027	283	33,410
Apr.-June.....	67,679	26,878	8,649	19,991	3,690	8,134	337	35,428
July-Sept.....	62,161	23,826	8,013	18,894	3,475	7,624	329	32,932
Oct.-Dec.....	60,095	21,309	7,427	18,903	4,104	8,035	317	33,221
1943								
Jan.-Mar.....	67,750	23,754	8,112	21,503	4,975	9,078	328	40,525
Apr.-June.....	69,757	23,803	8,372	22,811	5,051	9,387	333	43,108
July-Sept.....	63,501	21,378	7,896	20,764	4,695	8,476	292	39,485
Oct.-Dec.....	61,857	20,135	7,536	20,541	4,855	8,479	311	39,893
1944								
Jan.-Mar.....	75,807	25,474	9,401	23,978	6,416	10,225	313	47,342
Apr.-June.....	79,003	27,907	10,150	24,442	6,086	10,067	351	48,976
July-Sept.....	78,976	27,607	10,066	24,589	5,804	10,559	351	52,444
Oct.-Dec.....	85,163	29,109	10,732	26,667	6,463	11,798	404	56,415
1945								
Jan.-Mar.....	104,064	35,613	12,587	33,025	7,730	14,689	420	65,695
Apr.-June.....	117,857	41,116	14,454	37,208	7,954	16,614	511	69,770
July-Sept.....	106,782	44,493	14,908	28,058	6,821	12,066	406	54,750
Oct.-Dec.....	133,766	63,950	21,131	29,218	7,337	11,711	419	56,797
1946								
Jan.-Mar.....	147,236	72,384	23,554	30,092	8,805	12,006	395	64,182

¹ Under 1939 amendments.

(Continued from page 15)

tives of the persons receiving services and representatives of the public also have an essential role in the administration of a public program.

Medical Care of Needy Persons

Mr. Altmeyer also endorsed the proposals for special arrangements to provide medical care for needy persons through Federal participation in financing arrangements devised

by State public assistance agencies.

Sickness causes suffering and economic loss among all people, but it affects certain groups of people more than others. Among low-income families and people on the assistance rolls, illness comes oftener and lasts longer, on the average, than among others. Medical care is especially important to these persons not only to prevent or cure sickness but also to reduce dependency.

The three groups of needy persons covered by assistance programs under the Social Security Act are likely to have especially heavy medical needs since they are old or blind or are children in dependent families. Larger-than-average medical needs likewise exist among the group served by general assistance, which is financed wholly by the State or locality or both, without Federal financial participation.

Public Assistance

Program Operations

The number of recipients continued upward during March, with the largest percentage increase again in general assistance. This rise, 3.2 percent, was less than half as large as in February, however. Additions of 10 percent or more in general assistance case loads occurred in Nevada, Ohio, Rhode Island, South Dakota, and Utah. Except in Ohio, these increases followed small increases or, in some instances, decreases in February. National increases in case loads for the other programs—2.3 percent in aid to dependent children, 0.4 percent in old-age assistance, and 0.5 percent in aid to the blind—were about those in the preceding month. The largest monthly rise in old-age assistance was 4 percent in Kansas. The number of families receiving aid to dependent children rose 4 percent or more in 5 States. In Maryland the number of children aided rose 15 percent. The largest increase in aid to

the blind was 2.5 percent in Washington.

Average payments for the country as a whole rose a few cents per person aided. New funds made available by the Governor of Delaware partially restored the cut of the past 2 months in payments to dependent children.

Economic Circumstances of Cases Opened for Assistance, October–December 1945

During the latter part of 1945 the Social Security Board initiated a voluntary State report to provide information on why individuals and families are in need. Especially in a period of rising case loads, information of this kind contributes to public understanding of the reasons for the size of case loads and of expenditures for assistance. Because public assistance is primarily concerned with meeting the economic need of individuals, the report on reasons for opening cases is designed to show recent changes in

the economic situations of individuals and of families approved for assistance. By placing chief emphasis on loss of income or increased need, however, the report necessarily gives only a partial picture of noneconomic reasons for opening cases, since such reasons are shown only in their relation to changes in economic circumstances. In the report on aid to dependent children, for example, the death, continued absence, or incapacity of the parents of dependent children is recorded only if such incapacity, death, or absence has produced tangible recent changes in the family's income or resources.

The first report covers the quarter ending December 31, 1945, and includes cases accepted for the three special types of public assistance in 21 States and those accepted for general assistance in 12 States. In some States the report was initiated after October 1 and therefore covers only part of the quarter. Information on economic changes is not given for the 8 percent of the cases that were opened for general assistance to sup-

Table 1.—Public assistance in the United States, by month, March 1945–March 1946¹

Month	Total	Old-age assistance	Aid to dependent children		Aid to the blind	General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	General assistance
			Families	Children					Families	Children		
Number of recipients							Percentage change from previous month					
1945												
March	2,048,740	256,065	646,164	71,603	258,000	-----	-0.2	+0.3	+0.4	-0.3	-0.1	-----
April	2,044,062	256,034	646,729	71,446	251,000	-----	-2	(?)	+1	-2	-2.5	-----
May	2,040,661	255,983	646,828	71,254	237,000	-----	-2	(?)	(?)	-3	-5.7	-----
June	2,038,395	255,675	646,808	71,143	234,000	-----	-1	-1		-2	-1.4	-----
July	2,034,531	254,310	644,088	70,935	231,000	-----	-2	-5	-4	-3	-1.3	-----
August	2,033,135	255,114	647,187	70,850	229,000	-----	-1	+3	+5	-1	-9	-----
September	2,034,541	258,589	657,861	70,654	232,000	-----	+1	+1.4	+1.6	-3	+1.3	-----
October	2,039,661	263,003	669,317	70,699	239,000	-----	+3	+1.7	+1.7	+1	+3.2	-----
November	2,047,405	268,213	683,899	70,886	242,000	-----	+4	+2.0	+2.2	+3	+1.3	-----
December	2,055,851	274,300	701,803	71,453	256,000	-----	+4	+2.3	+2.6	+8	+5.6	-----
1946												
January	2,059,312	279,881	716,609	71,654	274,000	-----	+2	+2.0	+2.1	+3	+7.3	-----
February	2,062,679	286,231	733,632	72,041	293,000	-----	+2	+2.3	+2.4	+5	+6.6	-----
March	2,071,086	292,710	751,760	72,387	302,000	-----	+4	+2.3	+2.5	+5	+3.2	-----
Amount of assistance							Percentage change from previous month					
1945												
March	\$80,357,200	\$58,856,126	\$11,903,031	\$2,119,043	\$7,479,000	+0.7	+0.3	+1.4	-0.1	+3.2	-----	-----
April	80,192,455	59,062,140	11,967,848	2,117,467	7,025,000	-2	+4	+7	-1	-6.1	-----	-----
May	80,890,492	59,825,582	12,037,783	2,124,127	6,903,000	+9	+1.3	+4	+3	-1.7	-----	-----
June	81,123,746	60,047,047	12,133,574	2,147,125	6,796,000	+3	+4	+8	+1.1	-6.6	-----	-----
July	81,399,186	60,536,297	12,091,159	2,153,730	6,618,000	+3	+8	-3	+3	-2.6	-----	-----
August	82,321,517	60,943,111	12,260,634	2,278,772	6,539,000	+1.1	+7	+1.4	+5.8	+3.3	-----	-----
September	83,243,795	61,393,799	12,654,076	2,305,920	6,890,000	+1.1	+7	+3.2	+1.2	+7	-----	-----
October	85,196,850	62,137,738	13,171,371	2,346,741	7,541,000	+2.3	+1.2	+4.1	+1.8	+9.4	-----	-----
November	86,690,758	62,828,837	13,772,103	2,364,818	7,695,000	+1.7	+1.1	+4.6	+8	+2.0	-----	-----
December	88,428,913	63,361,293	14,278,421	2,395,199	8,394,000	+2.0	+8	+3.7	+1.3	+9.1	-----	-----
1946												
January	90,346,718	63,962,322	14,726,462	2,402,934	9,255,000	+2.2	+9	+3.1	+3	+10.3	-----	-----
February	92,070,048	64,418,197	15,272,901	2,426,950	9,952,000	+1.9	+7	+3.7	+1.0	+7.5	-----	-----
March	93,612,010	64,875,772	15,770,801	2,444,437	10,521,000	+1.7	+7	+3.3	+7	+5.7	-----	-----

¹ Partly estimated and subject to revision. Excludes programs administered without Federal participation in States administering such programs concurrently with programs under the Social Security Act.

² Decrease of less than 0.05 percent.
³ Increase of less than 0.05 percent.

plement another assistance payment; these cases, therefore, are excluded from the total in comparing data for the special types of assistance with those for general assistance.

Loss of employment.—Since the special types of public assistance are regarded as predominantly concerned with persons too young or too old to work and those handicapped by blindness, general assistance would ordinarily be expected to provide aid for the majority of families becoming needy because of unemployment. Actually, however, the proportion of openings involving a loss of employment or decreased earnings within 6 months did not vary greatly among the four programs; the proportion was 43 percent for general assistance, 40 percent for aid to dependent children, 37 percent for old-age assistance, and 29 percent¹ for aid to the blind.

The relatively large number of

¹ If openings resulting from shifting recipients back and forth between the programs for the aged and blind in Texas are eliminated, the proportion for aid to the blind is raised from 29 to 36 percent. See discussion of openings representing no material change in economic circumstances.

openings for the special types of assistance resulting from the loss of employment or decreased earnings probably stems from the labor situation during the war. At first, the recruitment of additional labor drew more heavily on recipients of general assistance than on recipients of the special types of public assistance. As the supply of relatively more employable persons was reduced, however, many persons ordinarily considered unemployable were able to get jobs paying a living wage. Just as these marginal workers were among the last to be hired, so they are likely to be heavily represented among the first groups to be pushed out of the labor market. Thus, though loss of employment precipitated more than a third of the openings for old-age assistance, we cannot assume that many persons in these new cases can be realistically termed "employable."

The doubtful employability of former wage earners in families currently being accepted for assistance is indicated by the large proportion of these cases in which illness or disability of the wage earner was responsible for the loss of employment or

earnings. For example, 62 percent of the 12,157 openings for old-age assistance because of loss of employment or earnings involved the illness or disability of the recipient wage earner, and an additional 11 percent involved the illness or disability of another wage earner in the home. Considerable question can be raised regarding the possibility of reemployment of these workers.

Loss of unemployment insurance benefits was the reason given for opening less than 1 percent of all accessions under each of the assistance programs. Apparently workers who lose employment and later receive assistance are drawn primarily from those not covered by unemployment insurance or else are unable to manage without assistance until unemployment benefits are exhausted.

Loss of a wage earner by death or absence.—Long-time dependency is definitely indicated when a family loses its source of support because of the death of the wage earner or his departure from the home. The program of aid to dependent children is specifically designed to provide aid in such situations when the wage earner

Table 2.—Old-age assistance: Recipients and payments to recipients, by State, March 1946¹

State	Number of recipients	Payment to recipients		Percentage change from—				State	Number of recipients	Payment to recipients		Percentage change from—			
		Total amount	Average	February 1946 in—		March 1945 in—				Total amount	Average	February 1946 in—		March 1945 in—	
				Number	Amount	Number	Amount					Number	Amount	Number	Amount
Total	2,071,086	\$64,875,772	\$31.32	+0.4	+0.7	+1.1	+10.2	Mo.	103,015	\$2,800,539	\$27.19	+0.5	+1.8	+1.9	+20.1
Ala.	35,130	557,290	15.86	+1.5	+2.2	+11.8	+12.4	Mont.	10,771	348,552	32.36	+2	+6	—8	+5.4
Alaska	1,340	52,300	—	—	—	—	—	Nebr.	24,107	772,887	32.06	+3	+5	—1.4	+11.2
Ariz.	9,481	367,291	38.74	(2)	—2	(2)	+6	Nev.	1,924	74,496	38.72	—2	—1	—1	+9
Ark.	26,161	439,602	16.80	+1.2	+1.6	—7.8	—14.6	N. H.	6,573	202,560	30.82	—4	—4	—3	+4.8
Calif.	160,259	7,614,256	47.51	+1	+2	+1.7	+2.1	N. J.	22,976	755,233	32.87	—1	+2	—4.1	+1.0
Colo.	40,577	1,682,989	41.48	—1	—1	—7	—3	N. Mex.	6,391	199,050	31.15	+1.7	+1.8	+13.4	+9.2
Conn.	14,324	579,960	40.49	+1	+1.0	+2.8	+17.2	N. Y.	103,668	3,968,387	38.28	+2	—1	—1.2	+8.4
Del.	1,200	22,476	18.73	—1.2	—1	—12.0	+8.5	N. C.	32,693	450,591	13.78	—5	—1.2	+1	+13.8
D. C.	2,302	77,346	33.60	+3	+3	—7.5	—3	N. Dak.	8,682	299,878	34.54	+5	+1.1	—1.0	+3.4
Fla.	43,916	1,319,923	30.06	+1.4	+1.9	+9.2	+14.4	Ohio	116,289	3,646,375	31.36	—1	+4	—3.0	+2.8
Ga.	66,045	779,897	11.81	(2)	+2	—1.0	+3.4	Okl.	84,042	2,968,781	35.32	+1.0	+1.1	—8.7	+32.6
Hawaii	1,463	36,224	24.76	—4	+2	+2.5	+13.2	Oreg.	20,722	808,751	39.03	+4	+9	+4.4	+17.1
Idaho	9,779	319,405	32.66	+1	+3	+7	+8.6	Pa.	84,891	2,620,371	30.87	+6	+8	+2.0	+7.4
Ill.	124,378	4,178,713	33.60	+5	+8	+1.4	+8.5	R. I.	7,494	261,392	34.88	+3	+6	+3.5	+8.8
Ind.	54,143	1,423,099	26.28	+1	+3	—3.9	—1	S. C.	22,210	355,021	15.98	+9	+1.2	+4.4	+19.1
Iowa	48,429	1,614,665	33.34	—1	+5	—2.7	+4.2	S. Dak.	12,694	340,392	26.82	+2	+7	—7	+10.1
Kans.	28,975	891,808	30.78	+4.3	+1.2	+3.0	+9.5	Tenn.	37,835	614,008	16.23	+3	+5	—3	—3.0
Ky.	44,945	524,604	11.67	—4	—2	—10.0	—7.6	Tex.	176,901	4,410,274	24.93	+8	+1.5	+4.5	+19.0
La.	36,067	828,491	22.97	—8	—1	—6	—4	Utah	12,783	498,503	39.00	(2)	+1	—1.9	+3.2
Maine	15,066	462,090	30.67	(2)	+5	+9	+6.4	Vt.	5,257	124,500	23.68	+1.1	+1.7	+1.0	+9.9
Md.	11,475	323,485	28.19	—2	—5	—2.1	+1.0	Va.	14,835	229,795	15.49	—1	+5	—2.4	+11.8
Mass.	77,970	3,590,142	46.05	+1.0	+1.0	+3.9	+12.2	Wash.	63,659	3,415,252	53.65	—3	+1.2	+5.9	+49.8
Mich.	88,136	2,934,337	33.29	+7	+1.2	+4.1	+14.7	W. Va.	18,502	314,417	16.99	+6	+1.1	—2	—6.2
Minn.	54,294	1,794,094	33.04	+2	+4	—2.2	+9.0	Wis.	45,955	1,406,775	30.61	+3	+8	+7	+7.4
Miss.	26,894	438,605	16.31	+6	+1.1	—3.6	+4.2	Wyo.	3,488	136,030	39.00	+1	(2)	+3.5	+23.1

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. All data subject to revision.

² Estimated.

³ Decrease of less than 0.05 percent.

⁴ Increase of less than 0.05 percent.

Table 3.—General assistance: Cases and payments to cases, by State, March 1946¹

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	February 1946 in—		March 1945 in—	
				Number	Amount	Number	Amount
Total ²	302,000	\$10,521,000	\$34.79	+3.2	+5.7	+17.3	+40.7
Ala.	3,722	\$4,263	14.58	+2.6	+3.3	+19.5	+22.0
Alaska	250	\$6,000					
Ariz.	2,269	70,912	31.25	+2.1	+8	+8.7	+12.9
Ark.	2,685	32,303	12.03	-1.4	-1.7	-2.1	+5
Calif.	16,557	671,445	40.55	+5	+7.3	+40.6	+55.5
Colo.	3,579	118,043	32.98	+3.1	+2.6	-22.3	-15.7
Conn.	3,528	\$124,906	35.40	+8.4	+4.6	+39.1	+39.2
Del.	508	13,707	26.98	-8.1	+17.0	+47.7	+59.7
D. C.	753	29,145	38.71	+1.9	+1.9	-3	+9.2
Fla.	3,900	\$38,000					
Ga.	2,704	35,224	13.03	-7	-1.6	-2.3	+5.4
Hawaii	647	23,467	36.27	+4.4	+8.2	+18.9	+40.0
Idaho	511	12,309	24.09	+1.2	+1.1	-17.1	-2.7
Ill.	20,832	778,132	37.35	-1.7	-4.0	-14.8	-7.0
Ind. ³	10,951	265,514	24.25	+3.2	-1	+86.0	+98.9
Iowa	4,266	92,611	21.71	-2.6	-5.2	+3.2	+11.6
Kans.	3,657	120,227	32.88	+4	+7	+8.8	+25.4
Ky.	\$2,500	\$24,000					
La.	6,785	149,639	22.05	-4	+2.0	+1.2	+21.4
Maine	2,156	76,418	35.44	-2.2	+1.1	+2.5	+11.4
Md.	6,324	221,393	35.01	+2.5	+2.5	+32.4	+37.0
Mass.	15,069	586,151	38.90	+1.8	+8.5	+19.0	+32.8
Mich.	27,127	1,216,559	44.85	+8.8	+6.1	+158.0	+248.8
Minn.	5,700	188,138	33.01	+1	(⁴)	+1.3	+20.5
Miss.	367	3,886	10.59	+5.5	+18.8	+12.2	+46.9
Mo.	8,679	178,246	20.54	-0.7	-20.7	+2.9	-3.9
Mont.	1,128	28,854	25.58	-2	+1.3	-7.7	-5.6
Nebr.	1,893	44,021	23.25	-4.4	-6.3	+12.9	+26.7
Nev.	258	4,640	17.98	+20.6	+13.6	+6.2	+3.2
N. H.	1,154	37,423	32.43	-7	+4.3	-7.5	+6.9
N. J. ⁵	5,484	207,848	37.90	+1.9	+5.5	+12.3	+26.9
N. Mex. ⁶	1,372	24,163	17.61	+2	+1.2	+24.5	-2
N. Y.	40,956	2,062,486	50.36	+3.4	+5.5	+8.4	+18.6
N. C.	2,656	31,357	11.81	+9	+9	+5.5	+20.0
N. Dak.	705	19,262	27.32	+4	+4.9	+4.0	+16.3
Ohio	17,301	589,446	34.07	+10.0	+13.5	+51.6	+79.4
Okl.	5,638	56,048	(⁷)	(⁷)	+9.9	(⁷)	+32.5
Oreg.	4,671	220,769	47.26	-5.3	+1	+24.9	+47.5
Pa.	29,480	1,040,128	35.28	+7.4	+27.1	+40.8	+90.5
R. I.	2,814	95,971	34.10	+32.2	+12.2	+48.3	+39.6
S. C.	3,348	46,308	13.83	+1.1	+1.9	+26.0	+59.7
S. Dak.	918	19,748	21.51	+14.6	+8.4	-9	-2.8
Tenn.	\$1,400	\$13,000					
Tex.	\$3,100	\$32,000					
Utah	1,727	77,945	45.13	+10.8	+16.6	+20.6	+35.9
Vt.	870	23,288	26.74	-6	+9.7	+3.3	+22.5
Va.	3,276	59,064	18.03	+2	+1.9	+3.8	+19.2
Wash.	9,023	462,040	51.21	-1.7	+1.9	-42.3	+54.1
W. Va.	4,835	80,142	16.58	+6.0	+7.9	-2.0	-4.4
Wis.	5,060	177,667	35.11	+1.7	+10.4	+3.8	+41.8
Wyo.	357	12,193	34.15	-1.4	-1.0	-6.5	+11.3

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. All data subject to revision.

² Partly estimated; does not represent sum of State figures, because total excludes payments for, and an estimated number of cases receiving, medical care, hospitalization, and burial only in Indiana and New Jersey, and estimated duplication of cases in Oklahoma.

³ Estimated.

⁴ State program only; excludes program administered by local officials.

⁵ Based on actual reports including an estimated 96 percent of cases and 97 percent of payments.

⁶ Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents 60 percent of total.

⁷ Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

⁸ Decrease of less than 0.05 percent.

⁹ Excludes a few cases and a small amount of local funds not administered by State agency.

¹⁰ Includes cases receiving medical care only; number believed by State agency to be insignificant.

¹¹ Represents 3,617 cases aided by county commissioners and 2,021 cases aided under program administered by State Board of Public Welfare; amount of duplication believed to be large, and therefore average per case and percentage change in number of cases cannot be computed.

Table 4.—Aid to the blind: Recipients and payments to recipients, by State, March 1946¹

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	February 1946 in—		March 1945 in—	
				Number	Amount	Number	Amount
Total	72,387	\$2,444,437	\$33.77	+0.5	+0.7	+1.1	+15.4
Total, 47 States ²	56,424	1,838,790	32.59	+5	+9	+1.1	+10.6
Ala.	811	13,494	16.64	+1.1	+2.4	+7.1	+9.4
Ariz.	198	23,368	46.92	+1.8	+2.2	+14.5	+18.1
Ark.	1,443	21,360	18.69	+1.6	+2.1	-8.0	-14.6
Calif.	5,693	330,051	57.97	+9	+9	+3.0	+25.3
Colo.	440	16,044	36.46	0	-2	-9.3	-8.9
Conn. ³	136	5,360	39.41	+7	-1.3	+3.0	+17.9
Del.	29	946	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
D. C.	194	7,159	36.90	+1.0	+9	-8.0	-3.8
Fla.	2,328	72,516	31.15	+5	+1.2	+2.7	+7.4
Ga.	2,013	29,355	14.58	+3	+3	-1.0	-2.3
Hawaii	62	1,653	26.66	(⁴)	(⁴)	(⁴)	(⁴)
Idaho	200	6,859	34.30	0	-5	-2.4	+4.7
Ill.	5,046	176,046	34.89	-6	-2	-3.1	+2.6
Ind.	1,928	56,730	29.42	+2	+3	-7.1	-8.3
Iowa	1,204	45,420	37.72	+8	+2.2	-5.6	+8.3
Kans.	1,052	35,294	33.55	+1	+1.0	-2	+8.4
Ky.	1,555	20,517	13.19	-7	-2	-2.4	-8
La.	1,357	35,517	26.17	-6	-9	-2.4	-4.4
Maine	793	25,126	31.68	-1.1	-3	-3.6	+2.2
Md.	442	14,011	31.70	+1.6	+1.3	-2	+3.1
Mass.	1,046	48,988	46.83	+1.1	+1.6	+9.1	+18.1
Mich.	1,309	47,115	35.99	-1	+1	+4.8	+10.7
Minn.	940	36,827	39.18	0	+1	0	+6.3
Miss.	1,516	34,444	22.72	+1.1	+1.2	+4.3	+7.6
Mo.	72,900	187,000	\$30.00				
Mont.	346	12,287	35.51	-9	-6	+10.5	+22.1
Nebr.	433	13,970	32.26	-2	-3	-4.0	+9.0
Nev.	27	1,153	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
N. H.	281	8,866	31.55	0	+1.3	+3.7	+7.3
N. J.	538	18,838	35.01	-2	+7	+2	+7.3
N. Mex.	246	6,017	28.12	-8	-2.2	-1.6	-4.1
N. Y.	3,089	130,774	42.61	+9	+1.0	+5.5	+15.5
N. C.	2,494	52,030	20.86	+2.0	+3.0	+8.4	+27.4
N. Dak.	114	3,863	33.89	+1.8	-3.0	-1.7	+1.3
Ohio	3,082	86,646	28.11	+6	+1.0	+9	+5.8
Okl.	1,946	17,065	36.52	+9	+1.1	+5.0	+22.0
Oreg.	368	17,506	47.57	-5	-9	-2.4	+1.2
Pa.	13,036	517,489	39.70	+4	+2	+7.9	+55.8
R. I.	109	3,676	33.72	+9	+2.1	(⁴)	(⁴)
S. C.	990	20,724	20.93	+3	+6	+10.1	+14.3
S. Dak.	215	5,174	24.07	+1.4	+1.2	0	+10.1
Tenn.	1,552	31,002	19.98	+7	+7	+1.4	+8
Tex.	4,719	122,733	26.01	+1.0	+2.1	+2.0	+9.3
Utah	139	5,755	41.40	0	-1.4	+7.8	+10.1
Vt.	164	5,191	31.65	+6	+1.1	+8.6	+20.5
Va.	962	18,748	19.49	0	+6	+2	+9.2
Wash.	625	36,383	58.21	+2.5	+2.6	+5.8	+56.0
W. Va.	821	15,886	19.35	+1.0	+9	+4	+10.9
Wis.	1,363	41,879	30.73	-2	+3	-5.7	(⁴)
Wyo.	113	4,677	41.39	0	+1	0	+9.7

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. Figures in italics represent programs administered without Federal participation. Data exclude program administered without Federal participation in Connecticut, which administers such program concurrently with program under the Social Security Act. Alaska does not administer aid to the blind. All data subject to revision.

² Under plans approved by Social Security Board.

³ For description of concurrent program see the *Bulletin*, April 1945, p. 26.

⁴ Not computed. Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

⁵ Payments under approved plan first made in November 1945.

⁶ Increase of less than 0.05 percent.

⁷ Estimated.

⁸ Represents statutory monthly pension of \$30 per recipient; excludes payments for other than a month.

lost is a parent; it is natural, therefore, that this reason should bulk large among the reasons for opening cases for aid to dependent children. Almost a third (31 percent) of the families accepted in the 21 reporting States had recently lost a wage earner by death or absence from the home.

The programs for the aged and the blind primarily involve individual recipients rather than family groups; consequently only 1.5 percent of acceptances for old-age assistance and

1.2 percent for aid to the blind were ascribed to the loss of a wage earner. On the other hand, 13 percent of the openings for general assistance, a program providing for both individual recipients and family groups, followed the loss of a wage earner within 6 months.

Loss of allotments.—The demobilization of the armed forces has, of course, stopped the payment of military allotments to many relatives of servicemen. The fairly large number

of cases opened for assistance following the discontinuance of an allotment shows that the loss of this income has not always been replaced by the support of the returning serviceman.

In relation to other reasons for opening, the loss of allotments had the biggest effect on acceptances for old-age assistance; 1 out of every 8 openings for old-age assistance involved the loss of an allowance or service-connected payment. The great ma-

Table 5.—Aid to dependent children: Recipients and payments to recipients, by State, March 1946¹

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	February 1946 in—			March 1945 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total.....	292,710	751,780	\$15,770,801	\$53.88	+2.3	+2.5	+3.3	+14.3	+16.4	+32.5
Total, 50 States ²	292,652	751,656	15,760,013	53.88	+2.3	+2.5	+3.3	+14.3	+16.4	+32.5
Alabama.....	6,139	17,200	163,273	26.60	+1.8	+2.4	+3.3	+22.0	+23.3	+28.8
Alaska.....	45	140	2,500							
Arizona.....	1,609	4,653	64,211	39.91	+3.5	+4.2	+3.8	+15.2	+16.3	+18.0
Arkansas.....	4,156	11,116	114,541	27.56	+1.9	+2.0	+3.0	+12.5	+10.7	+16.0
California.....	7,376	18,791	653,514	88.60	+2.4	+2.5	+3.4	+13.7	+14.4	+25.8
Colorado.....	3,568	9,758	219,789	61.60	+1.9	+1.2	+2.3	+7.6	+8.1	+80.8
Connecticut.....	2,515	6,252	225,381	89.61	+2.9	+2.6	+7.4	+28.7	+25.4	+52.8
Delaware.....	284	815	16,028	56.44	-1.7	-2.0	+38.8	+6.8	+8.2	+10.6
District of Columbia.....	717	2,267	47,850	66.74	+3.6	+3.0	+19.1	+18.9	+36.4	+36.4
Florida.....	6,530	16,133	222,225	34.03	+8	+6	+9	+30.6	+30.9	+33.1
Georgia.....	4,092	10,280	104,131	25.45	+1.0	+9	+1.1	+2.3	+3.7	+5.0
Hawaii.....	590	1,854	41,097	69.66	+3.5	+3.7	+3.9	+16.6	+17.0	+38.9
Idaho.....	1,339	3,657	81,209	60.65	+2.1	+1.8	+3.8	+6.4	+5.1	+72.0
Illinois.....	21,241	51,392	1,416,366	66.68	+1.3	+1.3	+5.5	+7.2	+8.7	+44.5
Indiana.....	6,308	15,070	237,912	37.72	+1.8	+2.6	+2.6	+1.9	+1.8	+2.7
Iowa.....	3,438	8,828	115,589	33.62	+2.7	+2.7	+3.2	+9.8	+13.3	+35.7
Kansas.....	3,328	8,573	187,301	56.28	+3.0	+3.5	+4.0	+11.5	+14.3	+29.6
Kentucky.....	5,508	14,409	118,054	21.43	+1.9	+1.1	+1.7	+16.7	+13.2	+14.5
Louisiana.....	8,748	22,651	339,551	38.81	-1.5	-1.8	-4.6	-3.9	-3.9	-11.7
Maine.....	1,564	4,435	113,222	72.39	+3.9	+4.0	+5.2	+19.0	+20.6	+38.4
Maryland.....	3,617	10,453	137,832	38.11	+4.0	+15.2	+3.0	+26.2	+26.6	+26.6
Massachusetts.....	7,962	19,806	684,608	85.98	+1.6	+1.3	+1.3	+11.1	+12.3	+20.5
Michigan.....	15,736	37,751	1,085,981	69.01	+4.4	+4.0	+4.7	+25.7	+25.0	+44.0
Minnesota.....	4,977	12,641	265,814	53.41	+2.6	+2.5	+3.0	+1.8	+1.8	+29.1
Mississippi.....	3,190	8,437	84,195	26.32	+1.9	+1.8	+1.9	+13.2	+15.4	+15.4
Missouri.....	13,479	35,629	498,712	36.11	+3.5	+3.6	+3.9	+24.7	+29.4	+34.5
Montana.....	1,421	3,720	77,108	54.26	+4.1	+5.4	+7.1	+8.3	+12.8	+71.6
Nebraska.....	2,415	5,723	155,733	64.49	+3.8	+4.4	+4.3	+2.2	+3.9	+100.1
Nevada.....	58	104	1,788	39.83	(9)	(9)	(9)	(9)	(9)	(9)
New Hampshire.....	892	2,289	64,127	71.89	+9	+9	+1.8	+24.6	+29.7	+31.1
New Jersey.....	3,488	8,853	223,113	63.97	+2.2	+2.3	+2.7	+1.6	+5.3	+15.3
New Mexico.....	2,741	7,246	101,766	37.13	+2.5	+2.7	+2.8	+15.8	+10.2	+7.3
New York.....	27,157	66,282	2,240,666	82.51	+3.3	+3.2	+3.3	+44.8	+51.8	+58.7
North Carolina.....	6,377	17,158	176,452	27.67	+9	+1.6	+1.5	+3.6	+10.4	+19.7
North Dakota.....	1,453	4,053	86,506	59.54	+1.9	+2.1	+2.6	+4.4	+3.4	+6.1
Ohio.....	8,012	21,916	461,963	57.66	+1.5	+1.4	+1.8	+5.1	+6.2	+12.0
Oklahoma.....	17,679	43,236	620,079	35.07	+3.1	+3.3	+3.3	+21.0	+24.6	+27.6
Oregon.....	1,333	3,292	112,084	84.08	+3.4	+3.7	+3.7	+9.8	+11.5	+17.6
Pennsylvania.....	29,662	78,373	1,998,110	66.35	+4.4	+4.9	+4.9	+34.9	+34.2	+49.4
Rhode Island.....	1,633	4,276	113,860	68.88	+3.9	+5.5	+3.6	+39.3	+38.5	+41.2
South Carolina.....	4,036	11,855	93,863	23.26	+1.8	+2.0	+2.3	+10.8	+11.1	+7.1
South Dakota.....	1,605	3,904	62,828	39.15	+2.2	+2.0	+2.7	+9.8	+16.0	+32.6
Tennessee.....	11,505	30,431	354,119	30.78	+7	+8	+9	+4.4	+5.9	+3.5
Texas.....	7,974	19,474	208,821	26.19	-4.6	-1.2	+7.6	-27.0	-18.5	-8.2
Vermont.....	2,010	5,397	151,905	75.57	+2.3	+1.8	+3.7	+8.8	+9.5	+12.4
Virginia.....	608	1,605	21,628	35.37	-2	+2.2	+5.3	+9.7	+12.6	+13.3
Washington.....	3,787	10,792	128,888	34.03	+7	+7	+7	+7.6	+7.6	+26.8
West Virginia.....	4,624	11,421	460,700	99.63	+4.5	+4.5	+5.3	+37.0	+37.2	+57.2
Wisconsin.....	7,598	21,160	237,695	31.28	+2.0	+1.5	+2.3	+8.7	+8.6	+3.3
Wyoming.....	6,249	15,328	399,334	63.90	+2.0	+2.4	+2.9	+6.6	+8.6	+23.5
Wyoming.....	308	872	18,781	60.98	+3	-9	+1.0	+1.0	+4.8	+26.6

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. Figures in italics represent program administered without Federal participation. Data exclude programs administered without Federal participation in Florida, Kentucky, and Nebraska, which administer such programs concurrently with programs under the Social Security Act. All data subject to revision.

² Under plans approved by Social Security Board.

³ Estimated.

⁴ For description of concurrent program see the *Bulletin*, April 1945, p. 26.

⁵ Not computed. Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

majority of such payments presumably went directly to the aged parents of servicemen. Next heavily affected were acceptances for aid to dependent children; 1 out of every 12 families accepted had lost a military allowance within 6 months. Only 4 and 5 percent, respectively, of openings for general assistance and aid to the blind were ascribed to discontinuance of a military allowance.

Depletion of savings.—In the last quarter of 1945 the decline in employment due to change-over to peacetime production was so recent that persons laid off who had any appreciable amount of savings or capital assets had not yet found it necessary to apply for assistance. Thus, cases opened because of depletion of savings may have had no income from employment or other sources for a long period. The aged and the blind—both groups having a high average age and consequently a longer period in which to accumulate savings—are more likely than other applicants to be accepted because of the depletion of savings, since, if savings are small, the reason for acceptance will be the loss of employment or other source of income. About 12 percent of the aged and 7 percent of the blind were accepted following the depletion of savings or similar assets; for general assistance, by contrast, the proportion was only 3 percent, and for aid to dependent children, only 2 percent.

No material change in economic circumstances.—Some cases are accepted for each of the four assistance programs though they have experienced no appreciable decrease in available income nor increase in requirements within the preceding 6 months. Some of these cases had been receiving another type of assistance, but otherwise they were as needy 6 months before approval as at the time accepted. In some instances the recipients, though needy, delayed applying either through ignorance of the available help or through reluctance to become dependent on public aid; other recipients were only recently able to satisfy the eligibility requirements other than need; still others were made eligible by a change in State law or in policy of the assistance agency.

A large proportion of both aged and blind recipients accepted for assist-

ance had had no material change in their economic circumstances during the preceding 6 months—23 percent for old-age assistance and 43 percent

Table 6.—Changes in economic circumstances of cases opened for assistance in selected States, October–December 1945

Reason for opening	Old-age assistance			Aid to dependent children			Aid to the blind			General assistance ¹
	Total ¹	Transferred from general assistance ²	Not transferred from general assistance ²	Total ³	Transferred from general assistance ²	Not transferred from general assistance ²	Total ⁴	Transferred from general assistance ²	Not transferred from general assistance ²	
Total number of cases.....	33,081	2,003	24,698	11,895	1,463	7,757	1,166	52	915	14,188
Percentage distribution.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Age 65.....	23.6	39.1	22.9							
Age 66 and over.....	76.4	60.9	77.1							
Change in economic circumstances during last 6 months.....	77.0	33.3	80.1	90.2	87.4	89.5	56.8	48.1	54.0	92.2
Discontinuance of unemployment benefits to person in home.....	.5	.4	.6	.8	1.1	1.0	.3		.4	.5
Loss of employment or decreased earnings of—										
Recipient (parent for aid to dependent children):										
Illness or disability.....	22.8	16.3	22.2	24.0	30.1	23.6	17.5	17.3	16.9	(?)
Lay-off, discharge, or other reason.....	5.0	2.1	5.8	10.2	6.9	9.5	3.3	5.8	3.8	(?)
Other person in home:										
Illness or disability.....	3.9	2.3	3.8	3.1	3.7	3.7	4.1	1.9	4.2	36.8
Lay-off, discharge, or other reason.....	4.6	1.3	3.3	1.8	1.9	2.3	3.5	3.8	4.2	5.6
Loss of wage earner in home by death or absence.....	1.5	1.3	1.7	31.0	29.9	25.5	1.2		1.4	13.3
Discontinuance of allowance, pension, or other payment connected with military service, received by person in home.....	13.1	2.1	16.6	8.3	5.6	10.3	5.3	3.8	5.6	3.8
Depletion of savings or other resources.....	11.8	3.1	12.2	2.0	1.3	2.7	6.5	5.8	4.5	3.2
Loss or decrease of contributions from relatives outside home.....	7.4	2.7	7.0	3.6	4.1	4.3	6.9	1.9	5.0	6.5
Other change in economic circumstances (including increased need without change in resources).....	6.5	1.5	6.9	5.3	2.7	6.4	8.1	7.7	8.0	22.6
No material change in economic circumstances during last 6 months.....	23.0	66.7	19.9	9.8	12.6	10.5	43.2	51.9	46.0	7.8
Change in law or agency policy.....	4.7	24.2	1.1	1.8	3.6	2.1	24.6	5.8	30.4	2.0
Attained technical eligibility.....	13.6	38.6	14.4	2.4	5.5	2.4	10.5	34.6	8.1	.9
Other.....	4.7	4.0	4.4	5.5	3.6	6.1	8.1	11.5	7.5	4.8

¹ Includes Alabama, Arkansas, Connecticut, District of Columbia, Idaho, Illinois, Kansas, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Oklahoma, South Carolina, Texas, Utah, Virginia, West Virginia, Wisconsin.

² Excludes Illinois, Mississippi, and North Carolina, as break-down is not available.

³ Includes Alabama, Arkansas, Connecticut, District of Columbia, Idaho, Illinois, Kansas, Mississippi, Missouri, New Hampshire, New Jersey, New Mexico, North Carolina, Oklahoma, South Carolina, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin.

⁴ Includes Alabama, Arkansas, Connecticut, Delaware, District of Columbia, Idaho, Illinois, Kansas,

Mississippi, New Hampshire, New Jersey, New Mexico, North Carolina, Oklahoma, South Carolina, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin.

⁵ Excludes Illinois and Mississippi as break-down is not available.

⁶ Includes Alabama, Arkansas, District of Columbia, Idaho, Illinois, Kansas, Missouri, New Mexico, South Carolina, Utah, Virginia, West Virginia. Excludes cases opened to supplement another assistance payment.

⁷ Cases opened because of loss of employment or decreased earnings of recipient included in cases opened because of loss of employment or decreased earnings of other person in home.

for aid to the blind. The proportion of openings for aid to the blind was greatly exaggerated by purely administrative shifts between programs for the blind and the aged in Texas. In September 1945, some 300 blind recipients were transferred to old-age assistance in anticipation of a shortage in the State's funds for aid to the blind. In December, most of these cases were shifted back to the aid to the blind program after funds were found to be sufficient. If openings resulting from this shift are disregarded, the proportion of acceptances for aid to the blind with no economic change within 6 months was only 28 percent.

Most of the aged persons in the group under discussion had recently attained technical eligibility for old-age assistance. Close correspondence from State to State between the number of recipients just 65 years of age and the number attaining technical eligibility indicates that in the great majority of these cases the fact that they had not yet reached the minimum age for eligibility had stood in the way of their receiving old-age assistance. It may be noted further, when we consider only the aged recipients who transferred from general assistance, that about 40 percent had recently attained technical eligibility and a correspondingly large proportion of them were just 65 years of age.

Most of the aged recipients who became eligible because of a change in law or agency policy are found in 2 States where legal restrictions on eligibility were liberalized in 1945. Wisconsin repealed its citizenship requirements for old-age assistance and reduced its residence requirement to 1 year from the maximum permitted by the Social Security Act—5 out of the last 9 years. Illinois also reduced its residence requirement to 1 year and no longer requires citizenship if the applicant has lived at least 25 years in the United States.

For both general assistance and aid to dependent children, less than 10 percent of the cases opened had had no appreciable change in economic circumstances during the preceding 6 months. The low proportion of cases attaining technical eligibility contrasts particularly with the corresponding proportions for aged and

blind recipients. Ideally, general assistance should have no eligibility requirement other than need and, therefore, no cases opened because technical eligibility had been acquired; actually, such restrictions on eligibility exist for general assistance also, though not so many as for the other programs. The low proportion

of acceptances for aid to dependent children resulting from the attainment of technical eligibility probably occurs because the principal technical reasons for eligibility for that program (death, incapacity, or absence of a parent) are so frequently accompanied by changes in economic circumstances.

Social and Economic Data

Social Security and Other Income Payments

All Income Payments to Individuals

After an uninterrupted decline since December, income payments to individuals turned upward in March, largely because of the increase in compensation of employees and in social insurance and related payments. The total, \$13 billion, was 5 percent below the amount a year

earlier (table 1); compensation of employees fell more than \$1 billion, and military and subsistence allowances declined \$127 million. Though all other components of the series showed increases, only social insurance and related payments gained appreciably.

The \$543 million expended for social insurance and related payments in March was nearly three times the amount a year earlier. These pay-

Table 1.—Income payments to individuals, by specified period, 1936-46¹

(In millions; data corrected to May 3, 1946)

Year and month	Total ²	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments ⁴	Military and subsistence allowances ⁵
					Work relief ⁶	Direct relief ⁷		
1936.....	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	-----
1937.....	72,365	44,689	14,162	9,891	1,639	836	1,020	-----
1938.....	66,135	40,845	12,369	8,233	2,094	1,008	1,529	-----
1939.....	70,793	43,870	13,441	8,891	1,870	1,071	1,616	-----
1940.....	76,210	48,218	14,313	9,175	1,578	1,097	1,801	-----
1941.....	92,710	60,262	18,599	9,761	1,213	1,112	1,744	-----
1942.....	117,311	79,970	23,933	9,771	586	1,061	1,844	\$136
1943.....	143,089	101,813	27,161	10,389	57	940	1,703	1,020
1944.....	156,721	112,043	28,017	11,195	-----	942	1,970	2,548
1945.....	160,607	111,360	29,894	12,304	-----	990	2,925	2,949
1946.....								
March.....	13,660	9,621	2,531	990	-----	80	193	245
April.....	13,562	9,545	2,491	1,002	-----	80	194	250
May.....	13,538	9,496	2,504	1,012	-----	81	201	258
June.....	13,692	9,520	2,493	1,024	-----	81	208	258
July.....	13,622	9,509	2,479	1,032	-----	81	218	260
August.....	13,207	9,143	2,441	1,042	-----	82	225	260
September.....	12,517	8,797	2,359	1,051	-----	83	261	259
October.....	12,952	8,792	2,428	1,060	-----	85	328	254
November.....	13,192	8,895	2,551	1,068	-----	87	355	232
December.....	13,102	8,838	2,537	1,073	-----	88	371	192
1946.....								
January.....	13,069	8,648	2,626	1,079	-----	90	458	165
February.....	12,969	8,481	2,690	1,084	-----	92	486	134
March.....	13,003	8,571	2,586	1,089	-----	94	543	118

¹ Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

² Includes veterans' bonus; March payments were \$2 million.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces, and mustering-out pay.

⁴ Earnings of persons employed by NYA, WPA, and CCC.

⁵ Payments to recipients under 3 special public assistance programs and general assistance, value of food stamps under food stamp plan, and farm subsistence payments.

⁶ Payments of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, workmen's compensation, State unemployment insurance, railroad unemployment insurance, veterans' pensions and compensation, and readjustment allowances to unemployed and self-employed veterans.

⁷ Government portion of payments to dependents of members of the armed forces (portion deducted from military pay included under compensation of employees as part of military pay rolls), and subsistence allowances to veterans under the Servicemen's Readjustment Act of 1944.

Source: Department of Commerce, Bureau of Foreign and Domestic Commerce.

Table 2.—Selected social insurance and related programs, by specified period, 1940-46

[In thousands; data corrected to May 9, 1946]

Year and month	Total	Retirement, disability, and survivor programs												Unemployment insurance programs				Readjustment allowances to self-employed veterans ¹³
		Monthly retirement and disability benefits ¹				Survivor benefits								Rhode Island sickness compensation ¹⁰	State unemployment insurance laws ¹⁰	Service-men's Readjustment Act ¹¹	Railroad Unemployment Insurance Act ¹²	
						Monthly				Lump-sum ⁸								
		Social Security Act ³	Railroad Retirement Act ³	Civil Service Commission ⁴	Veterans Administration ⁴	Social Security Act ⁶	Railroad Retirement Act ³	Veterans Administration ⁷	Social Security Act	Railroad Retirement Act ³	Civil Service Commission ⁴	Veterans Administration ⁹						
Number of beneficiaries																		
1945																		
March	547.1	165.5	86.0	1,037.8	494.7	4.3	405.7	18.7	2.0	2.8	3.8	5.0	103.2	27.8	1.6	4.0		
April	558.4	166.0	86.6	1,070.3	510.0	4.3	459.5	17.0	1.9	2.0	3.7	5.3	87.2	28.3	1.2	6.3		
May	670.6	166.4	87.3	1,105.6	523.7	4.3	500.9	18.5	2.2	2.3	4.4	7.2	98.0	28.1	.8	8.9		
June	582.0	167.1	88.0	1,144.2	537.0	4.4	537.3	17.0	1.9	2.0	4.6	7.1	129.4	31.8	.8	10.6		
July	595.3	167.8	88.8	1,194.3	546.8	4.4	570.7	14.7	1.7	2.0	4.7	6.4	185.5	38.5	.6	11.9		
August	609.4	168.6	89.4	1,245.8	554.2	4.4	600.8	14.7	1.7	1.8	4.7	5.8	230.5	44.1	1.2	12.4		
September	624.4	169.5	89.9	1,309.3	564.1	4.4	628.8	12.1	1.8	1.4	4.7	5.0	612.1	73.2	2.1	12.3		
October	652.6	170.5	90.9	1,389.8	579.8	4.4	656.1	16.6	1.5	1.7	5.0	4.9	1,271.7	122.9	5.8	12.6		
November	677.7	171.8	91.7	1,464.8	592.0	4.4	680.2	12.9	1.4	1.3	4.1	4.5	1,313.5	217.7	9.3	13.5		
December	695.9	172.9	92.5	1,533.6	601.2	4.4	697.5	13.2	1.3	.7	3.8	4.4	1,319.0	405.0	12.7	21.1		
1946																		
January	724.9	174.2	93.7	1,620.7	613.8	4.4	725.0	17.8	1.8	2.6	4.5	4.4	1,625.0	695.5	21.9	44.0		
February	750.0	175.7	94.5	1,714.5	623.2	4.5	736.9	15.0	1.5	1.7	4.0	4.5	1,628.0	1,071.1	40.3	63.2		
March	778.7	177.4	95.7	1,866.5	634.9	4.5	751.0	15.9	1.8	1.5	5.3	4.7	1,673.0	1,505.1	51.0	141.9		
Amount of benefits ¹⁴																		
1940	\$1,188,702	\$21,074	\$114,166	\$62,019	\$317,851	\$7,784	\$1,448	\$105,696	\$11,736	\$2,497	\$5,810	\$3,960	\$518,700		\$15,961			
1941	1,085,488	55,141	119,912	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352	344,321		14,537			
1942	1,130,721	80,305	122,806	68,115	325,265	41,702	1,603	111,193	15,038	4,114	6,108	4,120	344,084		6,268			
1943	1,291,463	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,560	7,344	4,350	\$2,857	79,643	917			
1944	1,119,684	119,009	129,707	78,081	456,279	76,942	1,765	144,302	22,146	6,591	7,863	4,784	5,035	62,385	\$4,113	\$82	\$102	
1945	2,067,427	157,392	137,140	85,742	697,830	104,232	1,772	254,238	26,136	8,138	10,244	5,039	4,669	445,866	114,955	2,359	11,675	
1946																		
March	119,752	11,925	11,253	6,962	49,039	8,094	146	16,042	2,634	764	1,257	388	362	7,242	3,139	100	404	
April	121,851	12,155	11,270	6,974	50,306	8,297	151	18,450	2,370	748	968	363	387	6,185	2,540	63	623	
May	129,463	12,450	11,247	7,119	51,950	8,478	147	22,085	2,563	874	1,102	438	524	7,044	2,501	45	897	
June	136,847	12,701	11,379	7,137	54,804	8,707	152	22,613	2,346	716	956	462	517	9,686	3,572	42	1,059	
July	145,207	12,974	11,448	7,220	57,228	8,773	148	23,492	2,033	649	928	469	469	14,352	3,778	35	1,210	
August	152,765	13,348	11,484	7,263	59,483	8,889	149	23,450	2,021	693	842	461	425	17,948	5,013	72	1,223	
September	191,492	13,666	11,559	7,246	63,558	9,005	150	23,164	1,997	736	672	453	367	50,439	7,457	118	1,205	
October	265,182	14,599	11,630	7,337	69,602	9,415	148	25,511	2,432	658	835	532	355	106,449	14,088	337	1,254	
November	279,640	15,221	11,757	7,377	71,174	9,621	147	24,292	1,811	588	700	406	329	108,555	25,770	553	1,338	
December	303,508	15,548	11,864	7,440	76,722	9,690	149	26,845	1,857	578	366	377	317	106,624	42,244	777	2,111	
1946																		
January	380,581	16,329	11,997	7,542	80,183	9,943	150	26,511	2,539	812	1,396	325	133,246	83,322	1,351	4,484		
February	411,740	16,973	12,085	7,590	89,000	10,093	149	29,500	2,154	751	908	395	303	121,000	112,195	2,207	6,467	
March	469,027	17,797	12,238	7,670	93,325	10,414	150	30,000	2,263	883	883	525	343	126,000	148,700	3,210	14,627	

¹ Old-age retirement benefits under all acts, disability retirement benefits under the Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

² Primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

³ Age and disability annuitants and pensioners as of last day of month. Payments represent amounts certified, minus cancellations. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁴ Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under the National Defense Acts of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but also include payments from Canal Zone and Alaska Railroad retirement and disability funds administered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service are not included but will be summarized twice a year in the *Bulletin*.

⁵ Veterans' pensions and compensation.

⁶ Widows, widow's current, parent's, and child's benefits. Partly estimated.

⁷ Payments to widows, parents, and children of deceased veterans.

⁸ Number of decedents on whose account lump-sum payments were made, and amount of such payments.

⁹ Payments for burial of deceased veterans.

¹⁰ Number represents average weekly number of beneficiaries. Annual amounts adjusted for voided benefit checks; monthly amounts not adjusted. State unemployment insurance data for January through March 1946 partly estimated.

¹¹ Readjustment allowances to unemployed veterans only. Number represents average weekly number of veterans paid readjustment allowances during weeks ended in the month. Amounts before July 1945 represent payments during weeks ended in the month; for July and subsequent months, payments are on calendar-month basis. Payments for March 1946 partly estimated.

¹² Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. Annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures not adjusted.

¹³ Number of veterans and amount paid during month under the Servicemen's Readjustment Act.

¹⁴ Payments to individuals: amounts certified, under the Social Security and Railroad Retirement Acts (including retroactive payments) and the Railroad Unemployment Insurance Act; disbursements minus cancellations, under Civil Service Commission and Veterans Administration programs; checks issued by State agencies, under State unemployment insurance and Rhode Island sickness compensation programs and under the Servicemen's Readjustment Act.

¹⁵ Preliminary estimate.

ments have climbed continuously during the 13-month period, and in the first 3 months of 1946 aggregated 51 percent of the total amount disbursed in 1945. Since the bulk of these payments currently represent unemployment insurance benefits, the level is directly affected by changes in employment conditions.

Continuing sharp declines in military allowances more than offset increases in subsistence payments to veterans. Thus, the aggregate for both types of payments moved downward for the seventh consecutive month and was 52 percent below the amount a year earlier.

Social Insurance and Related Payments

Payments in March under the selected programs—\$469 million—were one-tenth greater than in February and nearly 4 times the amount a year earlier (table 2). These payments represented 86 percent of all social insurance and related payments as estimated by the Department of Commerce; the total in March 1945 was only 62 percent of the Commerce estimate.

Unemployment insurance benefits continued to exert a significant influence on the aggregate increase; in March these payments represented nearly 60 percent of the total, whereas a year earlier they amounted to less than 10 percent. For the first time since the beginning of the readjustment allowance program in September 1944, total allowances to unemployed veterans exceeded payments to beneficiaries under the State programs. Benefits under the latter programs leveled off during the last 3 months of 1945, after the initial impact of the heavy lay-offs following the Japanese surrender. Payments increased somewhat during the first quarter of 1946, partly because of seasonal and administrative factors. While similar influences were undoubtedly reflected also in the readjustment allowance figures, probably other influences, such as the rate of demobilization and the promptness with which veterans returned to the labor force, had more significant effects.

Another important factor in comparing payment trends in the two programs is the potential duration of pay-

ments. The maximum duration under the readjustment allowance program is more than twice that under nearly all State laws. This is one reason why very few veterans exhausted their entitlement to benefits during 1945; less than 1 percent of the veterans who had received at least one check since September 1944 had exhausted their benefit accounts

as of February 28. Many others left the rolls, some before they had received a payment; of the 3.2 million veterans who had made a claim through the end of February, at least 3 out of 10 were employed or dropped out for various other reasons before a payment had been made.

A great majority of the discharged servicemen had not applied for read-

Table 3.—Estimated pay rolls in employment covered by selected programs¹ in relation to all wages and salaries, by specified period, 1937-45

[Data corrected to Apr. 26, 1946]

Period	All wages and salaries ²	Old-age and survivors insurance ³	Railroad retirement ⁴	State unemployment insurance ⁵	Railroad unemployment insurance ⁶
Amount (in millions)					
Calendar year:					
1937.....	\$45,053	\$32,770	\$2,265	(*)	\$2,265
1938.....	41,247	29,026	2,010	26,200	2,010
1939.....	44,313	32,222	2,149	29,069	2,149
1940.....	48,707	35,668	2,272	32,450	2,272
1941.....	60,885	45,417	2,685	42,146	2,685
1942.....	80,793	58,147	3,337	54,796	3,337
1943.....	102,932	69,747	4,058	66,106	4,058
1944.....	113,031	73,310	4,466	68,986	4,466
1945.....	111,444	71,150	4,514	65,830	4,514
1944					
Jan.-Mar.....	27,073	17,700	1,088	16,795	1,088
Apr.-June.....	28,031	18,180	1,108	17,203	1,108
July-Sept.....	28,379	18,358	1,137	17,251	1,137
Oct.-Dec.....	29,548	19,072	1,133	17,737	1,133
1945					
Jan.-Mar.....	28,306	18,177	1,130	17,170	1,130
Apr.-June.....	28,760	18,306	1,141	17,210	1,141
July-Sept.....	27,314	17,047	1,136	15,800	1,136
Oct.-Dec.....	27,064	17,620	1,107	15,650	1,107
Percent of all wages and salaries					
Calendar year:					
1937.....	100.0	72.7	5.0	(*)	5.0
1938.....	100.0	70.4	4.9	63.5	4.9
1939.....	100.0	72.7	4.8	65.6	4.8
1940.....	100.0	73.2	4.7	68.6	4.7
1941.....	100.0	74.6	4.4	69.2	4.4
1942.....	100.0	72.0	4.1	67.8	4.1
1943.....	100.0	67.8	3.9	64.2	3.9
1944.....	100.0	64.9	4.0	61.0	4.0
1945.....	100.0	63.8	4.1	59.1	4.1
1944					
Jan.-Mar.....	100.0	65.4	4.0	62.0	4.0
Apr.-June.....	100.0	64.9	4.0	61.4	4.0
July-Sept.....	100.0	64.7	4.0	60.8	4.0
Oct.-Dec.....	100.0	64.5	3.8	60.0	3.8
1945					
Jan.-Mar.....	100.0	64.2	4.0	60.7	4.0
Apr.-June.....	100.0	63.7	4.0	59.8	4.0
July-Sept.....	100.0	62.4	4.2	57.8	4.2
Oct.-Dec.....	100.0	65.1	4.1	57.8	4.1

¹ Includes data for Alaska and Hawaii. Pay roll in these 2 Territories covered by State unemployment insurance programs has ranged from \$18 million to \$78 million per quarter.

² Data from Bureau of Foreign and Domestic Commerce. Quarterly data have been adjusted to correct for distribution of bonus payments. Represents estimated wages and salaries paid in cash and in kind in continental United States and, in addition, Army and Navy pay rolls in all other areas. Includes employee contributions to social insurance and retirement programs. Because estimates of all wages and salaries are built up by industry groups, amount in covered and noncovered employment cannot be determined precisely. While the estimated amount in covered employment included within this total differs from pay rolls in covered

employment as given in this table, the difference is so small that it does not invalidate relationship of covered pay rolls to total. Commerce estimates relate to calendar quarters; estimates for pay rolls covered by old-age and survivors insurance, railroad retirement, and unemployment insurance relate to pay periods ended in calendar quarters.

³ Taxable wages plus estimated nontaxable wages in excess of \$3,000 earned in employment covered by program.

⁴ Taxable wages plus nontaxable wages in excess of \$300 per month.

⁵ Taxable wages plus nontaxable wages earned in employment covered by program; excludes earnings of railroad workers covered by State laws through June 1939. Data for 1945 estimated.

⁶ Not available.

justment allowances. According to the Readjustment Allowance Service, the ratio of new claims filed—including claims for self-employment—to the estimated number of persons discharged through the end of 1945 indicated that only in Michigan did claims exceed 30 percent of the releases from the armed forces. In 9 States, less than 1 veteran in 10 had filed a claim, and in 32 States, less than 1 in 5; for the United States as a whole, the ratio was about 1 in 4.

Retirement and survivor benefits also continued upward in March. Disbursements under the Social Security Act, including lump-sum payments, amounted to \$30.5 million, one-third above the level a year earlier. Disability payments to veterans and monthly benefits to survivors of veterans were nearly double those in March 1945, while retirement and disability payments under the railroad retirement and civil-service programs also increased, but at a less rapid rate.

Rhode Island sickness benefits, which moved downward from June until the end of 1945, turned upward in January, fell slightly in February, and again increased in March, the last month of the 1945-46 benefit year. Payments in March were less than in March 1945, however.

Estimated Pay Rolls in Covered Employment, Fourth Quarter, 1945

The trend in total wages and salaries, which has been upward for more than 6 years, finally turned downward in the latter half of 1945. The annual rate in the first half of the year—\$114 billion—exceeded the rate of \$110 billion a year earlier; in the last 6 months, however, total wages and salaries stood at an annual rate of \$109 billion as against \$116 billion a year earlier. Sharp declines in manufacturing employment immediately following the Japanese surrender, reduction or elimination of overtime pay, and loss of earnings due to labor disturbances, all served to reduce pay rolls in the second half of the year; as a result, total wages and salaries fell 1.4 percent below the 1944 level and totaled \$111.4 billion in 1945 (table 3).

Pay rolls covered by old-age and survivors insurance were 5 percent less in the second half of 1945 than in

the first 6 months and 7 percent less than in the second half of the preceding year. The annual total dropped by \$2.2 billion from the record high of 1944 and represented 64 percent of all wages and salaries as against 65 percent in the earlier year.

Wages and salaries covered by State unemployment insurance programs fell markedly in the third quarter and, in contrast to the trend in old-age and survivors insurance pay rolls, continued downward in the fourth quarter. Consequently the gap between the amount of earnings covered by old-age and survivors insurance and those covered by State unemployment insurance programs widened in the fourth quarter to \$2 billion; in the third quarter, the difference was about \$1.2 billion. A sizable proportion of the fourth-quarter increase in earnings under the old-age and survivors insurance program was probably concentrated in small establishments not covered by unemployment insurance.

Wages of workers covered by the railroad retirement and railroad unemployment insurance programs declined in the third quarter and again in the fourth. The July-December drop was not large enough to pull the 1945 total below the amount a year earlier, however, and covered railroad wages reached an all-time high of \$4.5 billion for the year. Compared with the amounts a year earlier, railroad pay rolls in the fourth quarter and for 1945 as a whole fell less sharply than did all wages and salaries; in consequence, railroad pay rolls represented 4.1 percent of all wages and salaries in the fourth quarter as compared with 3.8 percent a year earlier, while comparable ratios for the years 1945 and 1944 were 4.1 and 4.0 percent, respectively.

Experimental Rural Health Program

The Senate Subcommittee on War-time Health and Education, created to study the "distribution and utilization of health personnel and facilities and related services," became increasingly aware, as its study continued, "of the shortage of doctors and hospitals in many rural areas, as well as the great health needs in general of rural people. The economic aspects of the

problem and the necessity for developing methods for prepayment of medical expenses" also became clear. The Subcommittee therefore asked the Department of Agriculture in July 1945 to summarize the studies of the experimental health plans, sponsored by the Department's Interbureau Committee on Postwar Programs.¹

In requesting the material, the Subcommittee declared its belief that "these plans, all based on the tax-assisted voluntary health-association principle, constitute a series of experiments of interest to the whole Nation. They are particularly important at this time, when our whole future national health policy is being decided. The experimental plans undoubtedly offer in practice a test for the ideas of those who consider that tax-assisted voluntary health associations might be the solution to this problem . . . we feel that summary presentation of the most relevant data in these studies would be of the utmost value to the Congress, as well as to State and local postwar planning committees, health officers, professional, labor, farm, church, and other groups who are thinking seriously about ways of meeting the medical care problem."

The report of the Department of Agriculture, issued as a subcommittee print, stresses the point that the experimental health service program grew out of an expanding recognition of rural health needs on the part of lay and professional leaders. Though "the trend toward consumer organization to obtain health care has been well under way in urban areas for about 15 years," progress in rural areas has been much slower. A number of nongovernmental agencies, such as farm organizations, have done valuable pioneering work in the field of rural medical and hospital care.

The "most direct and extensive attack on the problem of providing better rural health services" was made by the Farm Security Administration in its medical care plans, which began

¹ *The Experimental Health Program of the U. S. Department of Agriculture: A Study Made for the Subcommittee on Wartime Health and Education of the Committee on Education and Labor, U. S. Senate.* (U. S. Congress, Senate Committee on Education and Labor, Subcommittee Monograph No. 1 (79th Cong., 2d sess.), Washington, 1946. 166 pp.)

operation in 1936 and are, in effect, prepayment medical service plans for low-income farmers;² loans to Farm Security Administration clients include specified amounts to enable them to pay for their medical care on a fixed monthly basis. In the spring of 1938, the Farm Security Administration also started a program to provide medical care to medically indigent migrant farm families.

Operation of the Experimental Program

Because of its experience in setting up and operating these programs, the Farm Security Administration in November 1941 was asked to help the Interbureau Committee on Postwar Programs in developing experimental health programs for all farm families.

For some time before 1941, county agricultural planning committees, as part of the Department of Agriculture's broad planning program to obtain farmer opinion and cooperation on vital problems, had been drawing up county plans as a preliminary step in solving local problems, among which rural health stood out as one of the most important. The large number of rejections for military service and the acute wartime shortage of health service personnel had also focused attention on the health needs of the Nation and particularly of rural areas.

Following recommendations made by these county committees, the State agricultural planning committees recommended to the Secretary of Agriculture the establishment of health service programs. The Department's Interbureau Committee, charged with the responsibility of meeting the problems of adjustment which would face farmers after the war, set in motion a program designed to select counties for the experimental health program and to enlist local people for action. Though many phases of the program were necessarily planned outside the community, the experiment demonstrated direct action on the part of local people in solving their health problem.

After discussion of the contemplated health programs by regional

postwar planning committees and State and selected county agricultural planning committees, the county committees carried on a "program of public information . . . primarily through public meetings" and also through newspaper publicity, letters to farm people, personal contact, and enlisting the interest of doctors, teachers, clergymen, and other community leaders.

Seven health associations were set up between July and November 1942. Selection of the counties was guided by the following conditions, existing in each: an active county agricultural planning committee or similar local organization; known local interest in medical care needs; a rural county representative of the general area; farm income approximately the same as the State as a whole; medical, dental, and hospital facilities reasonably adequate and accessible to all farm families in the county; a receptive attitude on the part of professional groups. It was also considered desirable that each county have a full-time public health unit.

Six counties reasonably met these requirements; Hamilton County, Nebraska; Nevada County, Arkansas; Newton County, Mississippi; Walton County, Georgia; and Cass and Wheeler Counties, Texas. The seventh, Taos County in New Mexico, was not chosen on the basis of these requisites; its plan had grown more or less spontaneously out of an experimental adult education program, formed in April 1940 under the auspices of the University of New Mexico and the Carnegie Foundation. However, "it met all the stipulated requirements fairly well."

All the programs began operations during 1942; all were based on the principles of "(1) prepayment for health service, or the health-insurance principle based on pooling risks and resources of the group; (2) family contributions based on ability to pay; (3) supplementation of membership fees by use of Federal-grant funds; (4) voluntary membership; (5) local administration of the program."

The organization of the health associations was fairly uniform throughout the seven counties. Non-profit associations were organized, each with a charter and bylaws and an elected lay board of directors.

The governing board selected a manager and a treasurer who carried out the program, making and executing agreements with local physicians, dentists, druggists, nurses, and hospitals. Services were provided by independent private practitioners in all but the Taos County plan, which operated with a salaried medical, nursing, and dental staff. Five plans paid for services on the conventional fee-for-service basis, and one used the capitation method. The associations provided general practitioner care, surgeon-specialist service, hospitalization, dental care, drugs, and nursing service.

All families that obtained most of their livelihood from farming were eligible for membership. Except in one county, where the formula was based on gross income, each family paid a membership fee based on its net cash income for the year before. Any family membership fee not sufficient to pay the over-all cost was supplemented by grants from the Farm Security Administration, amounting to 81 percent of total funds the first year and 62 percent the second year.

Community Attitudes

Interviews with a representative group of rural families in each experimental county—members and nonmembers—showed conclusively that local people liked the way the health associations operated and the services provided. Public opinion in neighboring counties also was favorable; families wanted to become members or, in some cases, to develop separate plans.

Farmers generally thought of the program as a means of bringing health services to families who otherwise might not get them. Some expressed their views in terms of the feeling of security they had when they knew their medical bills were paid in advance. Others thought of the health plan as health insurance; the principle of insurance was not new to most rural families in these counties; in the southern counties, burial insurance is widespread, and in all seven counties the people were acquainted with the Farm Security Administration medical prepayment plans. Members and nonmembers alike were overwhelmingly in favor of

² For a brief description of these plans see the *Bulletin*, March 1940, pp. 14-15, 25-26, and August 1942, pp. 14-15.

membership fees based on family income, or "ability to pay."

A significant readiness to accept health services in a way comparable with public education was also noted in most of the seven counties. As one farmer expressed it: "People couldn't get along and run and pay for their schools by themselves; so it may be about like that with organizations for maintaining health among rural people."

Practically all practitioners, hospitals, druggists, and dentists in the counties cooperated during the first year of operation, but their opinions began to crystallize pro and con after a brief period of operation. Friction and strong competition among the professional persons, for whom the association was not directly responsible, became acute as the program progressed, and these conditions hindered smooth functioning of the professional organization. Generally, dentists were more favorable to the health plans than physicians or druggists, perhaps because dental bills were usually paid in full, while payments to other practitioners often had to be prorated to keep within the limits of the available funds. Professional criticism centered more often on the inability of the plans to pay in full for services rendered. State medical associations in most instances withheld acceptance or rejection of the plans but usually became either more passive or active.

Appraisal of the Program

The report discusses in detail the operation of the programs in three of the counties, appraising the tangible results and summarizing the attitudes of the people of the community.

In evaluating the whole experimental health program, the report concludes that it has "effectively demonstrated certain strong and weak points in operation of tax-assisted voluntary county health associations. The plan's main element of strength was the provision for supplementing family contributions through Federal grant funds, thus recognizing the principle of ability to pay in the financing of the program. Without this outside assistance none of the associations could have operated, nor can they be expected to continue to operate without it. Through the or-

ganization of these health associations many farm families have benefited from medical, dental, and hospital services not ordinarily received . . . Most weak points are encompassed under two heads—incomplete population coverage, and inadequate scope and quality of care."

Incomplete population coverage.—Coverage varied from about one-fourth of the eligible population in one county to three-fourths in another. Moreover, "turn-over in membership was high, resulting in insufficient time to build up the health status of members."

A prepayment plan for health services must include "adequate representation of all income groups in the area in order to stabilize its resources and include both high and low-risk families so as to spread the risks. How well the plans met such requirements was partly dependent upon how close the associations attained complete coverage of the population. Experience in the experimental programs only confirms what is known generally about voluntary health insurance plans. For example, only 41 percent of those eligible joined Farm Security Administration sponsored health plans in 1944 and the percentage had declined from 61 percent in 1941. In this connection, it is estimated that the number of persons covered by voluntary health insurance providing comprehensive medical care comprise less than 2 percent of the total United States population. A study of Farm Security Administration health associations in five counties of southern Ohio showed that only 8 percent of members maintained continuous membership for the 3 years 1940-43. Those who used the plan least were the ones tending to drop out, i. e., sicker families tended to stay in."

The experimental health programs were, moreover, heavily weighted with low-income families, "thus disallowing the full operation of the principle of pooled resources." The tendency of upper-income families to stay out forced on outside funds the burden of compensating for the high number of low-income families. "There are many indications that high-risk families, and those with known medical requirements at time of application, took advantage of the

lenient requirements on membership and in so doing contributed to the break-down of the principle of shared risks. Adverse selection of risks raised the cost of the program to the 'average' family and no doubt contributed much to lack of complete population coverage."

Inadequate scope and quality of care.—The cost of medical, hospital, and dental care through the health associations averaged \$50 per family, in contrast to a national average in 1942 of about \$100 per family for medical care only. The approximate cost of adequate medical care has been estimated at \$103 per family with group practice and salaried physicians, or \$308 with individual practice and fee-for-service payment. "By any standard, therefore, the health associations were not spending enough to provide complete, high-grade medical care. Local opinion and judgment, as expressed in local administration of programs, militated against the broadening of the programs. Although the original nonlocal planning envisaged a comprehensive health care plan, local people 'cut the pattern to meet the cloth'—in this instance the paying power of families . . .

"Inexperience with any broad-gauged medical care plan no doubt contributed much to the prevailing attitudes among local people. But it is a fact that adequate paying power was lacking in these counties and a great amount of grant funds would have been required if a comprehensive medical care plan was developed. The marginal economic position of many family members was shown by their inability to continue in membership when the minimum fee was raised beginning with the second year . . . Finally, too low standards of medical care existed within these county units and the health associations have so far been unable to do very much about the situation."

One of the most important points of criticism is "that the voluntary health associations have made little or no changes in medical and dental personnel, facilities, or habits and concepts of health care. About the only change is in the method by which the family pays for health services." Moreover, "the rural county is demonstrated to be a wholly inadequate unit in respect to (1) availability of pro-

fessional personnel, and (2) completeness of technical facilities for diagnosis and treatment. From a financial standpoint also the rural county unit provided insufficient stability of resources to assure the necessary funds to finance an adequate medical care program. For that matter it is clear that the problem of rural health is inextricably bound up with the entire health problem of the Nation and cannot be solved without drawing upon the total resources of the United States—rural and urban. Administrative problems associated with county associations operating on a year-to-year basis result in high average costs of administration."

Specific steps that might improve the program.—More nearly adequate coverage could be attained, the report says, by removing residence, income, and occupational requirements for membership, but steps to improve the quality of health care would also be necessary. It is suggested, for example, that better referral services outside the county be developed and more and better personnel and facilities brought to the community, with the community sharing the costs; that group enrollment be tried out on a farm or community basis, to help compensate for adverse selection of risk; that the health association management and other county agencies, particularly the public health units, cooperate to bring more preventive services to members and place "necessary emphasis on the preventive side of health care"; and that an "imaginative educational" program be developed. The problem of securing sufficient funds to buy and maintain the needed facilities "should be met squarely. This is a community responsibility and cannot be met solely by the health association."

Wider Implications

Even incorporation of the suggested modifications in the health programs, the report concludes, would "not provide a system of medical care under which all the people would receive the benefits of modern science and new techniques. Included in this failure is the lack of well-coordinated preventive diagnostic and curative services. To take full advantage of modern technological advancement in health services it is necessary that the

plan for rural people be coordinated with a broader plan for the entire population. Such a plan should provide for rural and urban services alike.

"Any broad program of health insurance should conform as closely as possible to the following specifications so as to overcome the inadequacies inherent in the tax-assisted voluntary health associations.

1. Universal participation through family contributions based on ability to pay.
2. Tax assistance where necessary to provide equal medical and dental care to all.
3. Constructive planning and responsibility by local community, county, State, and Nation.
4. Better public health units in all counties to give greater preventive health service.
5. An expanded and coordinated system of hospitals and health centers, including research.
6. Greater numbers and better distribution of physicians, dentists, nurses, and laboratory technicians.
7. Effective administrative and democratic procedure to maintain and improve the quality of professional care.
8. A comprehensive program of modern medical, dental, and hospital services, including health education.

"There are indications that the American people are gradually turning to some form of compulsory health insurance such as is included in the 'National Health Act of 1945' (S. 1606, H. R. 4730) which provides for a system of health insurance."

Social Insurance and Other Government Trust Funds

The U. S. Budget lists over 150 trust accounts, by far the largest of which are the social insurance funds. Statutes creating some of these accounts call for investment of receipts of the funds in excess of current expenditure requirements. The investment functions for at least 22 of the trust funds are delegated to the Secretary of the Treasury or the Treasurer of the United States.

On June 30, 1945, the assets of these 22 Government trust funds totaled \$20.9 billion, of which the unemployment trust fund, the old-age

and survivors insurance trust fund, and the national service life insurance fund held 35.0, 31.7, and 15.5 percent, respectively. The civil-service retirement and disability fund ranked fourth in size, followed by the U. S. Government life insurance fund and the railroad retirement account. The other 16 trust funds combined held only 0.3 percent of the total assets.

Classification of Trust Funds

For convenience, Government trust funds may be classified into the following three types: (1) those composed of moneys and property received directly from individuals or private organizations for specific purposes, such as the Ainsworth Library fund, Library of Congress trust fund, National Institute of Health gift fund, national park trust fund; (2) those composed of moneys appropriated by act of Congress out of general revenues and for specific purposes, as, for example, the adjusted service certificate fund, District of Columbia water fund, and Pershing Hall Memorial fund; and (3) those composed of moneys collected as regular contributions under specific programs, such as the Alaska Railroad, civil-service, District of Columbia teachers', and Foreign Service retirement and disability funds, the unemployment and the old-age and survivors insurance trust funds, and the national service and U. S. Government life insurance funds.

Of the 22 funds mentioned earlier, 7 fall in the first group, 3 in the second, and 12 in the third. Since the funds in the third group receive moneys from a large number of contributors at regular intervals, they increase by large and continuous additions despite the small size of the individual premiums. The group of funds composed of donations and bequests are limited by their dependence on the generosity and interest of groups and individuals in specific projects.

Relative Size and Growth

The two funds established by the Social Security Act have been the largest Government trust funds since 1939 (table 4). Assets of the unemployment trust fund totaled \$312 million in 1937, \$884 million in 1938, and \$1.3 billion in 1939. The old-age and

survivors insurance trust fund grew from \$267 million in 1937 and \$777 million in 1938 to \$1.2 billion in 1939. At the close of the fiscal year 1945, these two funds had assets of \$7.3 and \$6.6 billion, respectively.

From 1930 to 1939 the U. S. Government life insurance fund was the largest of the Government trust funds handled by the Treasury, but the accumulation of social security reserves caused it to fall to third place in 1939. This fund has shown a steady growth over the years, but other trust funds have increased more rapidly. By 1944 the civil-service retirement and disability fund ranked third, but the rapid growth of the national service life insurance fund (created in October 1940 in connection with the war-risk life insurance system for the armed forces of World War II) brought the latter fund to third place in 1945, a position that it will probably hold for some time. The railroad retirement account has grown from \$43 million in 1937 to \$516 million in 1945, but it has always been smaller than the other five trust funds already mentioned.

The assets of the 16 smaller trust funds invested by the Treasury totaled about \$54 million in 1945. From 1925 to 1935, the adjusted service certificate fund ranked as one of the three largest funds and its assets varied from \$95 million to \$630 million. After reaching the peak of \$630 million in 1930, however, the fund started to decline and by June 1945 had dropped to \$17 million. The District of Columbia teachers' retirement and the Canal Zone retirement and disability funds had assets of \$12 and \$11 million, respectively, in June 1945. The former grew steadily from its beginning in 1920, and from 1930, when its assets totaled \$3 million, to 1945 it acquired more than half a million dollars of new assets each year. The Canal Zone retirement and disability fund, established in 1931, has grown slowly but steadily, and during the war it averaged \$1.3 million a year in new assets.

The Foreign Service retirement and disability fund has a history of slower but fairly steady growth, increasing from \$84,000 in 1925 to \$8 million in 1945. The Alaska Railroad retirement and disability fund reached \$2 million in 1945 after 8 years of oper-

Table 4.—Assets of the six largest Government trust funds, fiscal years 1937–45

(In millions)

Fiscal year ended in—	Unemployment trust fund	Old-age and survivors insurance trust fund	National service life insurance fund	Civil-service retirement and disability fund	U. S. Government life insurance fund	Railroad retirement account
1937.....	\$312	\$267	-----	\$335	\$901	\$43
1938.....	884	777	-----	400	963	68
1939.....	1,281	1,180	-----	469	1,023	83
1940.....	1,725	1,745	-----	554	1,038	92
1941.....	2,284	2,398	-----	653	1,068	87
1942.....	3,150	3,227	49	794	1,111	105
1943.....	4,872	4,288	359	1,080	1,159	196
1944.....	5,879	5,446	1,232	1,476	1,209	233
1945.....	7,315	6,613	3,232	1,880	1,269	516

ation. Of the very small funds, the District of Columbia water fund had total assets of \$1.8 million from 1941 to 1945, and the Library of Congress trust fund totaled \$1.5 million during the same period. The remaining trust funds possessed assets of less than \$500,000 each in June 1945, ranging from \$480 in the National Cancer Institute gift funds to \$494,000 in the longshoremen's and harbor workers' compensation fund.

Administration of the Funds

All trust funds regardless of classification are treated by the Treasury as trust accounts and are segregated from the general receipts and disbursements of the Government. Since the trust accounts are credited with moneys received and held by the Government for the benefit of individuals or classes of individuals, their assets are not available for general budgetary purposes. All disbursement is in compliance with the terms of the trust. Responsibility for the investment of that part of the funds not needed to pay benefits or other current expenses rests in most cases with the Secretary of the Treasury, but in a few statutes the Treasurer of the United States is designated. To centralize the investment operations, however, the Secretary of the Treasury has usually assumed this responsibility for both himself and the Treasurer.¹ The manner of investment of these moneys usually is rather closely prescribed by law, although the timing of the investment is often left to the discretion of the administering officers.

For 10 funds, the Secretary of the Treasury is directed to invest in cer-

tain specified types of securities, from time to time, such portions of the fund as in his judgment may not be required for immediate disbursement. In the statutes pertaining to 7 other funds, the administrator of the fund is authorized to direct the Secretary of the Treasury as to the choice of investment, the amount of money available for investment, or both. The Secretary has complete responsibility for investment of both the unemployment trust fund and the old-age and survivors insurance trust fund, but he may invest the railroad retirement account only at the request and direction of the Railroad Retirement Board. The Treasurer of the United States is authorized to invest the moneys of 5 of the trust funds, but the amount of money to be invested is determined by the administrative officer or board of each fund.

Legal provisions covering the sale of securities held by the funds are not detailed. Four of the 22 funds—including the railroad retirement account—provide for the sale of securities "in the interests of the fund," thus leaving the decisions to the official responsible for investing the fund. For the unemployment trust fund, railroad retirement account, and old-age and survivors insurance trust fund, however, the law provides that, in selling securities held by the fund, obligations other than special obligations are to be sold at the market price. Special obligations are to be redeemed at par plus accrued interest. The Managing Trustee of the old-age and survivors insurance trust fund—the Secretary of the Treasury—and the administrator of the U. S. Naval Academy gift fund are, moreover, specifically empowered to sell securities when in their judgment it is advisable to do so. The statutes of 6 other funds

¹ Selko, D. T., *The Federal Financial System*, Brookings Institution, Washington, D. C., 1940, p. 341.

specify that when approved requisitions are made on the Treasury for advances to the disbursing clerk of the fund, moneys will be provided when necessary through the redemp-

tion of securities. There is no mention of the liquidation of investments in the statutory provisions governing 9 of these funds, and it is probable that the securities are held or sold at

the discretion of the official who makes the investments.

Earnings on investments are usually credited to the funds themselves and become a part thereof. This

Table 5.—Statutory provisions of 22 Federal Government trust funds, as of June 30, 1945¹

Trust account and date of authorization	Source of fund	Administrator of fund	Investment of fund			Sale of investment holdings	Earnings on investment
			Investment official	Eligible investments			
				Set by statute	Set by administrative procedure		
Adjusted service certificate fund (1924).	Annual Federal appropriation.	Administrator of Veterans Affairs.	Secretary of Treasury.	Interest-bearing obligations of United States or loans to veterans.	4-percent special Treasury obligations.	For purposes of fund and to meet requisitions of disbursing clerk of Veterans Administration for authorized payments.	Becomes part of fund and is re-invested.
Ainsworth Library fund (1935).	Bequest of the late Major General Frederick C. Ainsworth.	Adjutant of Walter Reed General Hospital.	Treasurer of United States upon written request of Adjutant.	Interest-bearing United States Government bonds.	-----	At written request of Adjutant.	Interest credited to fund and re-invested or expended at sole discretion of Adjutant.
Alaska railroad retirement and disability fund (1936).	Employee and Government contributions.	Civil Service Commission.	Secretary of Treasury.	Interest-bearing securities of United States or Federal farm-loan bonds.	4-percent special Treasury obligations.	To meet requisitions of disbursing clerk of Civil Service Commission for authorized payments.	Credited to fund.
Canal Zone retirement and disability fund (1931).	Employee and Government contributions.	Administrator of Veterans Affairs.	Secretary of Treasury.	Interest-bearing securities of United States or Federal farm-loan bonds.	4-percent special Treasury obligations.	To meet requisitions of disbursing clerk of Veterans Administration for authorized payments.	Credited to fund.
Civil-service retirement and disability fund (1920).	Employee and Government contributions.	Civil Service Commission.	Secretary of Treasury.	Interest-bearing securities of United States or Federal farm-loan bonds.	4-percent special Treasury obligations. 3-percent special obligations for funds derived from voluntary contributions.	To meet requisitions of disbursing clerk of Bureau of Pensions for authorized payments.	Credited to fund.
District of Columbia teachers' retirement fund (1920).	Employee and Government contributions.	Commissioners of District of Columbia.	Treasurer of United States on basis of information from Commissioners of District of Columbia on amounts available for investment.	-----	-----	-----	Credited to fund.
District of Columbia water fund (1937).	Appropriations by Commissioners of District of Columbia from revenues of water department.	Commissioners of District of Columbia.	Treasurer of United States on basis of information from Commissioners of District of Columbia on amounts available for investment.	United States or District of Columbia securities.	-----	-----	-----
District of Columbia workmen's compensation fund (1928).	Employer contributions, fines, penalties, and Government appropriations.	United States Employees' Compensation Commission.	Treasurer of United States invests portion of fund which United States Employees' Compensation Commission deems not necessary for current requirements.	Bonds or notes of United States or of any Federal land bank.	-----	-----	-----

¹ Investment of moneys held by these 22 funds is made by the Secretary of the Treasury or the Treasurer of the United States.

treatment of earnings is specifically authorized in the statutes of 10 funds, including the old-age and survivors insurance trust fund, the unemployment trust fund, and the railroad retirement account. For the unemploy-

ment trust fund, a separate book account is maintained for each State and for the railroad unemployment insurance account. The fund is invested as a single unit, but each book account is credited quarterly, on the

basis of the account's average daily balance, with a proportionate part of the earnings of the fund during the quarter. In contrast to those funds in which earnings become a part of the fund and are reinvested, two—

Table 5.—Statutory provisions of 22 Federal Government trust funds, as of June 30, 1945—Continued

Trust account and date of authorization	Source of fund	Administrator of fund	Investment of fund			Sale of investment holdings	Earnings on investment
			Investment official	Eligible investments			
				Set by statute	Set by administrative procedure		
Federal old-age and survivors insurance trust fund (1935).	Permanent annual Government appropriation equal to employer and employee contributions and such additional Government appropriation as may be required.	Board of Trustees: Secretary of Treasury, Secretary of Labor, Chairman of the Social Security Board.	Managing Trustee: Secretary of Treasury.	Interest-bearing obligations of United States, obligations guaranteed as to principal and interest by United States, or special obligations if investment in others not in the public interest. Special obligations shall bear interest at a rate equal to average rate of interest on the public debt as of the calendar month next preceding the date of issue. When the average rate is not a multiple of $\frac{1}{8}$ of 1 percent, rate of interest of such special obligations shall be that multiple of $\frac{1}{8}$ of 1 percent next lower than the average rate.		Special obligations may be redeemed at par plus accrued interest; other obligations may be sold at market price.	Credited to and forms part of fund.
Foreign Service retirement and disability fund (1924).	Employee and Government contributions.	Secretary of State.	Secretary of Treasury.	Interest-bearing obligations of United States.	4-percent special Treasury obligations.	To meet requisitions of disbursing clerk of Department of State for authorized payments.	Credited to fund as a part thereof.
Library of Congress trust fund (1925).	Gifts or bequests.	Library of Congress Trust Fund Board: Secretary of Treasury, Chairman of Joint Committee on Library, Librarian of Congress, 2 appointees of the President.	Secretary of Treasury invests funds as Library of Congress Trust Fund Board may determine.	May deposit principal (not exceeding \$5 million) of some gifts or bequests as permanent loan with Treasurer at 4-percent interest per annum, payable semiannually.	Interest-bearing securities of the highest rating.		Income held in special investment account for benefit of Library and subject to disbursement by the Librarian for purposes in each case specified.
Longshoremen's and harbor workers' compensation trust fund (1927).	Employer and Government contributions.	United States Employees' Compensation Commission.	Treasurer of United States invests portion of fund which United States Employees' Compensation Commission deems not necessary for immediate disbursement.	Bonds or notes of United States or of any Federal land bank.			
National Archives trust fund (1941)	Gifts or bequests.	National Archives Trust Fund Board: Archivist of United States (Chairman), Chairman of House Library Committee, Chairman of Senate Library Committee.	Secretary of Treasury invests funds as National Archives Board may determine.				Credited to account.

the U. S. Naval Academy gift trust fund and the Pershing Hall Memorial fund—are limited by statute to the use of earnings for disburse-

ments. In addition, the Library of Congress and national park trust funds include separate interest accounts, and earnings on specific secu-

rities held by these funds are subject to disbursement from the interest account for the purposes specified by the donor of the securities.

Table 5.—Statutory provisions of 22 Federal Government trust funds, as of June 30, 1945—Continued

Trust account and date of authorization	Source of fund	Administrator of fund	Investment of fund			Sale of investment holdings	Earnings on investment
			Investment official	Eligible investments			
				Set by statute	Set by administrative procedure		
National Cancer Institute gift fund (1937).	Separate funds for unconditional gifts and for conditional gifts if recommended by Surgeon General and National Cancer Advisory Council.	Surgeon General of Public Health Service.	Secretary of Treasury.	Gifts in money; interest-bearing securities of United States or obligations guaranteed as to both interest and principal by the United States.	-----	Unconditional gifts of intangible personal property shall be liquidated at request of the Federal Security Administrator, whenever necessary to meet payments and at discretion of Secretary of Treasury.	Principal or income may be reinvested or expended.
National Institute of Health gift fund (1930).	Separate funds for unconditional gifts and for conditional gifts if recommended by Surgeon General and National Advisory Health Council.	Surgeon General of Public Health Service.	Secretary of Treasury.	Interest-bearing securities of United States or obligations guaranteed as to both principal and interest by the United States.	-----	Unconditional gifts of intangible personal property shall be liquidated at request of the Federal Security Administrator, whenever necessary to meet payments and at discretion of Secretary of Treasury.	Principal or income may be reinvested or expended.
National park trust fund (1935).	Gifts or bequests. Those entailing expenditures not to be made out of the gift or bequest or income thereof can only be accepted with the consent of Congress.	National Park Trust Fund Board: Secretary of Treasury, Secretary of Interior, Director of National Park Service, 2 appointees of the President.	Secretary of Treasury invests funds as the National Park Trust Fund Board shall determine.	-----	-----	-----	Deposited into separate account to credit of fund, subject to disbursement as specified in each case.
National service life insurance fund (1940).	Premiums paid on account of national service life insurance and Government contribution.	Administrator of Veterans Affairs.	Secretary of Treasury. Reserves to be set aside out of fund by Administrator of Veterans Affairs as may be needed to meet liabilities.	Interest-bearing obligations of United States or obligations guaranteed as to principal and interest by United States.	-----	Sell obligations for purposes of fund.	Earnings deposited in disbursing accounts for expenditure or reinvestment.
Pershing Hall Memorial fund (1935).	Balance of appropriation after settlement of indebtedness connected with Pershing Hall in Paris, France.	Secretary of Treasury.	Secretary of Treasury.	Interest-bearing United States Government bonds.	-----	-----	Upon request of American Legion any part of earnings paid to National Treasurer of Legion for use in maintaining and/or perpetuating Pershing Hall.
Railroad retirement account (1937).	Annual Government appropriation of amount sufficient as an annual premium; the amount is related to employee and employer contributions.	Railroad Retirement Board: 3 members appointed by the President with advice and consent of the Senate.	Secretary of Treasury at request and direction of Railroad Retirement Board.	Interest-bearing obligations of United States, obligations guaranteed as to both principal and interest by United States, or special obligations. Special obligations must bear 3-percent interest per annum and other obligations at least 3 percent.	-----	If it be in the interest of the account. Special obligations may be redeemed at par plus accrued interest; other obligations may be sold at market price.	Credited to account.

Eligible Classes of Securities

All funds but the District of Columbia teachers' retirement and disability fund, the National Archives, national park, and the Library of Congress trust funds are limited by statute to certain types of investments (table 5).

For the Library of Congress trust fund there are no statutory requirements for investments. The fund holds a wide variety of assets including railway bonds, common stock, real estate, and mortgages. Congress, moreover, provided that the Board of Trustees of the fund may deposit the

principal of some gifts or bequests to the fund (up to a total of \$5 million at any one time) as a permanent loan with the Treasurer of the United States at 4-percent interest per annum.

The old-age and survivors insurance and unemployment trust funds are restricted to interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States. They may acquire such obligations on original issue at par or by purchase of outstanding obligations at the market price. The purposes

for which obligations of the United States might be issued under the Second Liberty Bond Act, as amended, were extended to authorize the issuance at par of special obligations to both funds. Such special obligations are to be issued to the old-age and survivors insurance fund, however, only if the Managing Trustee determines that the purchase of other eligible securities is not in the public interest.

The original Social Security Act further specified that special obligations issued to the old-age reserve account (now the old-age and survivors

Table 5.—Statutory provisions of 22 Federal Government trust funds, as of June 30, 1945—Continued

Trust account and date of authorization	Source of fund	Administrator of fund	Investment of fund			Sale of investment holdings	Earnings on investment
			Investment official	Eligible investments			
				Set by statute	Set by administrative procedure		
Unemployment trust fund (1935).	Deposits from State unemployment funds and Railroad Retirement Board. Funds derived from employer contributions (and employee contributions in 4 States) and Government contribution. Employee representatives covered by Railroad Unemployment Insurance Act make their own contributions.	Secretary of Treasury.	Secretary of Treasury.	Interest-bearing obligations of United States, obligations guaranteed as to both principal and interest by United States, or special obligations. Special obligations shall bear interest at a rate equal to average rate of interest on public debt as of calendar month next preceding the date of issue. When the average rate is not a multiple of $\frac{1}{4}$ of 1 percent, rate of such special obligations shall be that multiple of $\frac{1}{4}$ of 1 percent next lower than the average rate. Obligations other than special obligations shall yield not less than yield required on special obligations.		Special obligations may be redeemed at par plus accrued interest; other obligations may be sold at market price.	Shall be credited to and form a part of the fund. Fund shall be invested as single fund, but Secretary of Treasury shall maintain a separate book account for each State agency and for railroad unemployment insurance account and shall credit the accounts quarterly, on basis of average daily balance of such accounts, with a proportionate part of the fund's earnings for the quarter ended.
United States' Government life insurance fund (1924).	Premiums on converted war-risk insurance policies from World War I.	Administrator of Veterans Affairs.	Secretary of Treasury on advice from Administrator of Veterans Affairs on amounts available for investment. All moneys in excess of reserve requirements and authorized payments must be invested.	Interest-bearing obligations of United States or bonds of Federal farm-loan banks. Administrator of Veterans Affairs authorized to make loans to veterans upon their adjusted service certificates out of the fund.		Sell obligations for purposes of fund.	Credited to fund.
United States Naval Academy gift fund (1944).	Gifts or bequests.	Secretary of Navy	Secretary of Treasury at request of Secretary of Navy.	Securities of United States or securities guaranteed as to both principal and interest by United States.		As Secretary of Navy directs.	Deposited to credit of fund and available for disbursement as provided in the act setting up fund.

Table 6.—*Securities held as investments in trust funds invested by the Treasury at the end of the fiscal years 1936, 1940, 1945*

[In thousands]			
Type of security	1936	1940	1945
Total securities.....	\$678, 005	\$4, 979, 294	\$20, 578, 340
Government securities.....	621, 976	4, 935, 224	20, 577, 924
Special issues.....	429, 572	4, 622, 394	18, 213, 590
Treasury notes.....	283, 863	2, 400, 936	9, 217, 940
Treasury certificates of indebtedness.....	145, 709	1, 721, 300	8, 495, 492
Bonds (adjusted service).....		500, 158	500, 158
Treasury bonds.....	192, 404	312, 830	2, 363, 445
U. S. savings bonds.....			889
Government guaranteed securities.....	105	105	
Other securities.....	55, 924	43, 965	416
Federal land-bank bonds.....	55, 039	43, 494	
Other.....	885	471	416

insurance trust fund) were to yield 3 percent per annum and that other obligations acquired should yield at least that amount. The 1939 amendments, however, removed the minimum-yield requirement on all but the special obligations and changed the provision regarding the interest rate on the latter. Special obligations issued to the old-age and survivors insurance trust fund, like those issued to the unemployment trust fund, must now bear interest at a rate equal to the average rate of interest on the interest-bearing public debt, computed as of the end of the calendar month next preceding the date of issue. When the average rate is not a multiple of $\frac{1}{8}$ of 1 percent, the rate of interest borne by such special obligations must be the multiple of $\frac{1}{8}$ of 1 percent next lower than the average rate. Obligations other than special obligations may be acquired for the unemployment trust fund only on such terms as to provide an investment yield not less than the current rate on special obligations.

The railroad retirement account is restricted to interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States. Special obligations must bear 3 percent per annum, and all other obligations must bear not less than 3 percent.

Investments of the Ainsworth Library fund and the Pershing Hall Memorial fund are restricted to interest-bearing U. S. Government bonds, and those of the other small trust funds to securities of the United States Government or to securities guaranteed as to principal and interest by the United States. The District of Columbia water fund may

be invested in United States or District of Columbia securities, while the longshoremen's and harbor workers' and the District of Columbia workmen's compensation funds are restricted to bonds or notes of the United States or of any Federal land bank.

The statutory provisions on securities eligible for investment for all but one of the other large trust funds have been implemented by administrative procedure. The adjusted service certificate fund and the Foreign Service retirement and disability fund are limited by statute to interest-bearing obligations of the United States. The Treasury has, however, set up an investment procedure for these funds under which investments are made in 4-percent special Treasury obligations. Interest is payable annually or on prior redemption of the security. The Alaska Railroad, Canal Zone, and civil-service retirement and disability funds are restricted to interest-bearing securities of the United States or Federal farm-loan bonds, but the investment procedures adopted and used by the Treasury in administering

these funds is the same as that for the adjusted service certificate fund. The Treasury has provided, however, that the civil-service retirement and disability fund may be partially invested in 3-percent special obligations; the funds invested in these securities are confined to those derived from voluntary contributions to the fund, which bear interest at the rate of 3 percent per annum. Procedure for the civil-service fund requires that all special obligations issued to the fund must be in denominations of \$100,000 or multiples thereof and at par as of the dates of issue. A similar procedure is followed for the Alaska Railroad and Canal Zone retirement and disability funds, except that securities must be in denominations of \$1,000 or multiples thereof.

Eligible securities for the U. S. Government life insurance fund consist of interest-bearing obligations of the United States or bonds of Federal farm-loan banks. The Administrator of Veterans Affairs, however, is authorized to make loans to veterans on their adjusted service certificates and against their life insurance policies.

Types of Investments

Special obligations.—The total volume of publicly issued securities outstanding which are eligible for investment by the various Government trust funds has increased with the rise in the public debt. The tendency, however, has been to invest the larger trust funds primarily in special obligations, following the policy adopted by the Treasury in 1925 for the adjusted service certificate fund. Of the advantages of this policy listed in the *Annual Report of the Secretary of*

Table 7.—*Social security trust fund investments and the interest-bearing public debt, January–March 1946*

Item	Investments as of Dec. 31, 1945		Net acquisitions January–March 1946 ¹ (in millions)	Investments as of Mar. 31, 1946	
	Amount (in millions)	Average interest rate (percent)		Amount (in millions)	Average interest rate (percent)
Total interest-bearing public debt.....	\$275, 694	1. 965	—\$946	\$274, 748	1. 979
Securities acquired by social security trust funds:					
Old-age and survivors insurance trust fund.....	7, 055	2. 144	169	7, 224	2. 138
Unemployment trust fund.....	7, 508	1. 934	—130	7, 378	1. 935
All other interest-bearing securities.....	261, 131		—985	260, 146	

¹ Minus figures represent net reductions.

Source: *Daily Statement of the U. S. Treasury.*

Table 8.—Status of the old-age and survivors insurance trust fund, by specified period, 1937-46

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund ¹	Interest received ²	Benefit payments ³	Reimbursement for administrative expenses ⁴	Net total of U. S. Government securities acquired ⁵	Cash with disbursing officer at end of period	Credit of fund account at end of period	Total assets at end of period
Cumulative, January 1937-March 1946.....	\$7,923,183	\$569,838	\$1,012,384	\$178,812	\$7,224,424	\$46,509	\$30,893	\$7,301,825
Fiscal year:								
1943-44.....	1,292,122	103,177	184,597	32,607	1,172,036	21,384	16,136	5,446,391
1944-45.....	1,309,919	123,854	239,834	26,950	1,137,411	35,092	32,007	6,613,381
9 months ended:								
March 1944.....	942,499	3,349	133,806	22,334	775,036	28,479	17,655	5,058,004
March 1945.....	948,557	18,859	172,812	19,840	744,964	32,256	35,065	6,221,155
March 1946.....	901,887	41,325	228,898	25,869	678,143	46,509	30,893	7,301,825
1945								
March.....	17,640	7,673	22,751	2,307	200,000	32,256	35,065	6,221,155
April.....	41,157		21,820	2,370		33,427	50,860	6,238,121
May.....	315,615		22,848	2,370		33,569	341,115	6,528,518
June.....	4,591	104,995	22,354	2,370	392,447	35,092	32,007	6,613,381
July.....	61,501		23,139	2,476		35,938	67,048	6,649,287
August.....	285,803		22,888	2,476		38,021	325,404	6,909,706
September.....	4,731	9,242	23,497	2,476		39,074	39,351	6,997,706
October.....	54,434		25,365	2,838	273,000	39,682	65,974	6,923,938
November.....	237,766	99	24,082	2,838	-15,000	42,582	288,020	7,134,883
December.....	6,916	7,371	25,678	2,838	250,490	44,870	21,362	7,120,655
1946								
January.....	32,819	15,371	27,953	3,309	-10,347	44,884	48,275	7,137,583
February.....	199,648		27,707	3,309		46,153	215,538	7,306,114
March.....	18,867	9,242	28,589	3,309	180,000	46,509	30,893	7,301,825

¹ Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.² Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.³ Based on checks cashed and returned to Treasury.⁴ Figure for fiscal year 1944-45 includes bookkeeping adjustments for expenditures for fiscal years 1941-42, 1942-43, and 1943-44; annual figures in table do not, therefore, reflect actual outlays.⁵ Includes accrued interest; minus figures represent net total of securities redeemed.

Source: Daily Statement of the U. S. Treasury.

Table 9.—Status of the unemployment trust fund, by specified period, 1936-46

[In thousands]

Period	Total assets at end of period	Net total of U. S. Government securities acquired ¹	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals ²	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period ³
Cumulative, January 1936-March 1946.....	\$7,425,962	\$7,378,184	\$47,779	\$9,302,128	\$536,657	\$3,146,939	\$6,692,001	\$590,327	\$40,855	\$51,335	\$733,961
Fiscal year:											
1943-44.....	5,878,778	1,503,000	8,778	1,349,307	88,526	60,000	5,380,403	109,375	8,001	591	498,375
1944-45.....	7,315,258	1,437,173	8,084	1,256,003	113,140	70,492	6,679,108	118,794	10,502	785	636,150
9 months ended:											
March 1944.....	5,471,327	1,099,000	5,327	1,007,942	41,101	42,218	5,009,396	77,078	3,722	458	461,931
March 1945.....	6,914,989	1,041,000	3,080	925,710	55,960	48,779	6,313,317	89,465	5,171	539	601,672
March 1946.....	7,425,962	71,010	47,779	761,753	69,174	818,166	6,692,001	87,855	6,807	6,716	733,961
1945											
March.....	6,914,989	38,000	3,989	11,346	2,702	7,970	6,313,317	28,324	250	116	601,672
April.....	6,956,109	25,000	20,109	46,955		6,137	6,354,135	324		85	601,974
May.....	7,226,959	283,000	7,959	276,077		7,280	6,622,933	2,117		65	604,026
June.....	7,315,258	88,173	8,084	7,261	57,180	8,296	6,679,109	26,888	5,330	96	636,148
July.....	7,372,826	35,000	30,653	62,778		14,932	6,726,955	45		41	645,870
August.....	7,610,393	251,000	17,219	257,958		21,593	6,965,330	1,232		41	647,061
September.....	7,596,118	-20,000	22,944	8,750	3,494	55,040	6,920,334	28,261		100	675,882
October.....	7,531,594	-90,000	48,420	42,316	437	107,224	6,856,064	49		216	675,528
November.....	7,606,978	65,000	58,804	183,097	141	108,283	6,931,019	760		388	675,957
December.....	7,537,391	-39,990	29,208	8,803	4,341	111,228	6,832,935	28,694	412	608	704,455
1946											
January.....	7,497,917	-50,000	39,733	32,898	57,042	134,146	6,788,831	67	5,644	1,081	709,086
February.....	7,518,918		60,735	157,391	15	135,621	6,810,616	782	1	1,567	708,302
March.....	7,425,962	-80,000	47,779	7,780	3,705	130,100	6,692,001	27,964	368	2,673	733,961

¹ Includes accrued interest; minus figures represent net total of securities redeemed.² Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,621,193.³ Includes transfers from railroad unemployment administration fund amounting to \$47,648,850.

Source: Daily Statement of the U. S. Treasury.

the Treasury for the Fiscal Year Ended June 30, 1925, the following are most pertinent:

1. The securities exactly fit the actuarial requirements which by law are made the basis for fixing the appropriations for the fund.

2. The bond market is not disturbed by a purchase of a very large block of securities early in January and by a subsequent continuous pressure for the sale of securities to provide cash for the fund throughout the year, the effect of which would be buying on a high market and selling on a low market.

3. Commissions to brokers on the purchase and sale of Government securities are saved.

4. Cash demands of the fund can be immediately satisfied by the redemption by the Treasury of the special certificates of indebtedness, and the whole plan has great flexibility.

5. When large withdrawals are necessary or future liquidation of large blocks of securities is expected, the Treasury will be in a position to do the necessary financing to meet the conditions then existing, without being compelled to sell a lot of miscellaneous Government securities perhaps unsuited to the market and to the Treasury's program.

The special obligations issued to the trust funds have generally been special Treasury notes or special Treasury certificates of indebtedness. The notes may have a maximum maturity date of 5 years from date of issue but are redeemable 1 year from issue, on 4 months' notice. The certificates of indebtedness, however, may have a maturity date no later than 1 year from date of issue and are redeemable on demand. The only long-term special obligations have been the Government life insurance fund series of 4½-percent special adjusted service bonds, maturing in 1946.

Guaranteed obligations.—Although 7 of the 22 trust funds (table 5) can be invested in obligations guaranteed as to principal and interest by the United States and complete freedom in choice of investment exists in the case of 4 other funds, the guaranteed obligations acquired by all these 11 trust funds from 1936 through 1945 totaled only \$105,000. These securities consisted of 3¼-percent Federal Farm Mortgage Corporation bonds of

1944-64, of which \$95,000 was held by the District of Columbia teachers' retirement and disability fund and \$10,000 by the longshoremen's and harbor workers' compensation fund.

Since October 1941, Treasury policy has allowed Government corporations and credit agencies to obtain the funds they need directly from the Treasury rather than through the sale of guaranteed obligations to the public. Outstanding guaranteed obligations, as they become due, have been redeemed or refunded through the issuance of direct obligations. As a result, the amount of guaranteed obligations held by the public has declined steadily since 1941. At the present time, therefore, and as long as the Treasury adheres to its present policy of financing, guaranteed obligations are not available for investment by the trust funds.

Moreover, only 8 percent of the guaranteed obligations outstanding and held by the public at the end of June 1945 bore interest of more than 1½ percent, the rate currently required on special obligations issued to the old-age and survivors insurance and unemployment trust funds.

Few issues of guaranteed obligations meet the minimum-earnings requirement for trust fund investments, especially since a number of the funds have actuarial requirements that call for a still higher return on investments than the 1½ percent mentioned above. In the past, guaranteed obligations bore somewhat higher interest rates than at present, and thus somewhat more of them met the interest requirements of the various trust funds. At the end of June 1936, \$3.7 billion, or 79 percent of all guaranteed securities, yielded more than 2½-percent interest per annum. By June 1940, \$2 billion, or 37 percent of the guaranteed obligations outstanding, were earning more than 2½ percent. The vast majority of all guaranteed securities issued have been short-term obligations, so that, regardless of the interest rates they bore, they were unsuitable for funds invested primarily in long-term securities.

Securities Held by Trust Funds

On June 30, 1936, 92 percent of the total securities held by the 22 Government trust funds invested by the

Table 10.—Cash income and outgo:¹ Total Federal and Social Security Board programs, 1945 and by quarter, January 1945–March 1946

Classification	1945					1946
	Total	January-March	April-June	July-September	October-December	January-March
Cash income.....	\$51,376	\$15,368	\$13,287	\$12,322	\$10,399	\$14,220
Social security.....	2,630	677	708	698	547	583
Federal insurance contributions.....	1,285	273	361	352	299	251
Federal unemployment taxes.....	184	137	17	17	14	134
Deposits in unemployment trust fund ²	1,161	267	330	329	234	198
Other.....	48,746	14,691	12,579	11,624	9,852	13,637
Cash outgo.....	87,906	24,001	25,287	22,505	16,115	13,687
Social Security Board.....	1,224	198	203	267	536	625
Administrative expenses.....	481	112	112	124	132	138
Grants to States.....	27	6	7	6	7	8
Public assistance ³	453	106	105	117	125	139
Unemployment compensation administration.....	411	97	98	105	111	117
State withdrawals from unemployment trust fund.....	43	9	8	12	14	13
Old-age and survivors insurance benefits.....	462	22	22	92	327	400
Administrative expenses, Department of the Treasury ⁴	274	62	67	70	75	85
Other.....	8	2	2	2	2	2
	86,682	23,803	25,084	22,218	15,579	13,062

¹ Cash income and outgo represent flow of cash, exclusive of borrowed cash, into and out of Treasury. Data include expenditures from trust funds, exclude transactions between Government agencies (i. e., transfers to trust accounts from general funds, investment of funds in special issues, repayment of sums borrowed) and other transactions, such as issuance or redemption of public-debt obligations other than redemptions of adjusted service bonds.

² Deposits by States of contributions collected under State unemployment insurance laws.

³ Federal expenditures administered chiefly by

Social Security Board. Includes administrative expense of Bureau of Census in connection with searching census records for old-age and survivors insurance; these expenses amount to less than \$500,000 each year.

⁴ Old-age assistance, aid to dependent children, aid to the blind.

⁵ In connection with old-age and survivors insurance.

Source: Total Federal cash income and outgo from Bulletin of the Treasury Department, other data from Daily Statement of the U. S. Treasury.

Table 11.—Contributions and taxes under selected social insurance and related programs, by specified period, 1943-46

(In thousands)

Period	Retirement, disability, and survivors insurance			Unemployment insurance		
	Federal insurance contributions ¹	Federal civil-service contributions ²	Taxes on carriers and their employees	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions
Fiscal year:						
1943-44	\$1,292,122	\$445,951	\$267,065	\$1,353,272	\$179,909	\$121,518
1944-45	1,309,919	486,719	285,038	1,261,958	184,544	131,993
9 months ended:						
March 1944	942,499	378,156	188,400	1,007,818	161,305	85,633
March 1945	948,556	413,609	214,945	920,622	167,787	99,406
March 1946	901,887	461,436	210,729	761,253	164,302	97,616
1945						
March	17,640	23,846	65,484	5,162	9,729	31,471
April	41,157	26,498	1,465	158,365	2,845	359
May	315,615	24,808	8,587	167,886	12,337	2,215
June	4,591	21,803	60,041	5,085	1,575	30,013
July	61,501	271,976	1,478	173,103	2,998	50
August	285,803	25,236	8,299	150,319	12,068	1,369
September	4,731	27,267	59,397	5,870	1,768	31,401
October	54,434	23,859	1,468	122,910	2,551	54
November	237,766	24,881	8,479	106,116	10,281	845
December	6,916	21,664	58,525	7,672	770	31,882
1946						
January	32,819	23,692	5,061	96,509	13,292	76
February	199,548	21,662	3,461	95,148	106,998	856
March	18,367	21,198	64,561	3,606	13,576	31,083

¹ Represents contributions of employees and employers in employments covered by old-age and survivors insurance.² Represents employee and Government contributions to the civil-service, Canal Zone, and Alaska Railroad retirement and disability funds; in recent years Government contributions are made in July for the entire fiscal year.³ Represents contributions plus penalties and interest collected from employers and contributions from employees in 4 States, deposited in State clearing accounts. Data reported by State agencies, corrected to May 10, 1946.⁴ Represents taxes paid by employers under the Federal Unemployment Tax Act.⁵ Represents July contributions of \$24.4 million from employees, and contributions for fiscal year 1945-46 of \$246.4 million from the Federal Government and of \$1.2 million from the District of Columbia for certain District government employees.Source: *Daily Statement of the U. S. Treasury*; unless otherwise noted.

Treasury were U. S. Government securities, less than 1/10 of 1 percent were Government-guaranteed securities, and about 8 percent were other securities (table 6). Of the U. S. Government securities held, 69 percent were special obligations and the rest were regular Treasury bonds. Contributing to this distribution of investments was the fact that the adjusted service certificate fund, the Foreign Service and Canal Zone retirement and disability funds, and the unemployment trust fund all held special obligations exclusively and 92 percent of the holdings of the civil-service retirement and disability fund were special issues. Sixty-six percent of the special issues held by the trust funds were 5-year Treasury notes, and the rest were certificates of indebtedness with a 1-year maturity date. The adjusted service certificate fund and unemployment trust fund held all the special certificates of indebtedness.

By June 30, 1940, Government se-

curities made up 99 percent of the total obligations held, and 94 percent of these were special issues. All bonds held by the civil-service retirement and disability fund had been sold by this date and only special Treasury notes remained. The four funds which had invested exclusively in special obligations in 1936 continued this policy, and holdings of the Alaska Railroad retirement and disability fund, the old-age and survivors insurance trust fund, and the railroad retirement account—each of which started operating after June 1936—were also exclusively in special obligations. Fifty-two percent of the special obligations held by these trust funds were Treasury notes, and 37 percent were certificates of indebtedness; the remaining 11 percent were a special issue of bonds called "adjusted service bonds, Government life insurance fund series, 1946." The U. S. Government life insurance fund also held some 2 percent of the special Treasury notes, 1943-44 series. As in

1936, all funds which invested exclusively in special issues held special Treasury notes only, except the unemployment trust fund and adjusted service certificate fund, which held certificates of indebtedness.

By the end of June 1945, all but 1/100 of 1 percent of all obligations held by the 22 funds were Government securities. Special issues made up 89 percent and regular bonds, 11 percent. The Alaska Railroad, Canal Zone, civil-service, and Foreign Service retirement and disability funds, the railroad retirement account, and the national service life insurance fund were all invested exclusively in special Treasury notes, and the adjusted service certificate fund was invested in special certificates of indebtedness only. Eighty-one percent of the investments of the old-age and survivors insurance trust fund were in special obligations, including notes and certificates of indebtedness. The unemployment trust fund held \$6.7 billion of special certificates of indebtedness, 92 percent of its total investments. The special adjusted service bonds were still held by the U. S. Government life insurance fund, but the bonds mature this year.

Regular Treasury bonds of various interest rates were held at the end of the fiscal year 1935-36 by the civil-service retirement and disability fund, District of Columbia teachers' retirement fund, longshoremen's and harbor workers' compensation fund, District of Columbia workers' compensation fund, U. S. Government life insurance fund, Library of Congress trust fund, National Institute of Health conditional gift fund, and national park trust fund. At the end of June 1940, all but the civil-service retirement and disability fund still held Treasury bonds, and the District of Columbia water fund, Ainsworth Library fund, and Pershing Hall Memorial fund—all of which were established after 1936—had also been invested in this type of security. Treasury bonds represented only 6 percent of total holdings of Government securities by trust funds invested by the Treasury. By the end of June 1945, 11 percent of total Government security holdings of trust funds was in the form of Treasury bonds.

Of the total \$2.4 billion of Treasury bonds, \$889,000 was in U. S. sav-

ings bonds held by the District of Columbia teachers' retirement and workmen's compensation funds and the longshoremen's and harbor workers' compensation fund. The Library of Congress trust fund no longer held any Treasury bonds, but the U. S. Naval Academy general gift fund had been invested exclusively in them and the old-age and survivors insurance and unemployment trust funds had purchased \$1.2 billion and \$0.6 billion, respectively.

The only Government-guaranteed securities held by any of the trust funds during their operation were Federal Farm Mortgage Corporation bonds held by the District of Columbia teachers' retirement and the longshoremen's and harbor workers' compensation funds. In 1936, \$9,700 was purchased for the latter fund and \$95,000 for the District of Columbia teachers' retirement fund. These bonds were held until the fiscal year 1945, when they were redeemed. At the end of June 1945, no Government-guaranteed securities were held by any of the trust funds.

The other securities held by the trust funds made up 8 percent of total investments in 1936 and only 1 percent in 1940. Federal land-bank bonds made up virtually all of these holdings in both years. Of the \$55.0 million held on June 30, 1936, \$51.8 million was held by the U. S. Government life insurance fund, and \$3.1 million by the District of Columbia teachers' retirement fund. The rest was held by the longshoremen's and harbor workers' compensation fund, District of Columbia workmen's compensation fund, and Library of Congress fund. Puerto Rican and Philippine Islands bonds held by the District of Columbia teachers' retirement fund and securities of non-Government corporations held by the Li-

Table 12.—Federal appropriations and expenditures under programs¹ administered by the Social Security Board, by specified period, 1944-46

[In thousands]

Item	Fiscal year 1944-45		Fiscal year 1945-46	
	Appropriations ²	Expenditures through March ³	Appropriations ⁴	Expenditures through March ⁵
Total.....	\$709,659	\$521,370	\$824,006	\$630,102
Administrative expenses.....	25,611	23,059	24,964	28,516
Federal Security Agency, Social Security Board ⁶	25,446	17,490	24,819	21,726
Department of Commerce, Bureau of the Census.....	165	85	145	79
Department of the Treasury ⁷	(0)	5,484	(0)	6,711
Grants to States.....	444,214	325,499	498,042	372,688
Old-age assistance.....	400,800	250,998	441,000	280,494
Aid to dependent children.....		40,150		44,564
Aid to the blind.....		7,675		7,887
Unemployment compensation administration.....	734,414	26,676	57,042	39,743
Benefit payments, old-age and survivors insurance.....	239,834	172,812	301,000	228,898

¹ Excludes war emergency programs.

² Excludes unexpended balance of appropriations for preceding fiscal year. Includes for 1945-46 additional appropriations provided in First Deficiency Appropriation Act, 1946, approved Dec. 28, 1945, and in Second Urgent Deficiency Appropriation Act, 1946, approved Mar. 28, 1946.

³ Based on checks cashed and returned to Treasury. Includes expenditures from unexpended balance of appropriations for preceding fiscal year.

⁴ Represents appropriations and expenditures for salaries and some miscellaneous items; excludes other miscellaneous expenditures of the Board made from Federal Security Agency appropriations. Includes amounts expended by the Board in administering old-age and survivors insurance, reimbursed from old-age and survivors insurance trust fund to general fund of Treasury.

⁵ Represents amounts expended by Treasury in administering title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed from old-age and survivors insurance trust fund to general fund of Treasury.

⁶ Not available because not separated from appropriations for other purposes.

⁷ Includes \$4,417,892 transferred from War Manpower Commission as reimbursement for expenditures for employment office facilities and services.

⁸ Represents actual payments during 1944-45 from old-age and survivors insurance trust fund.

⁹ Represents estimated expenditures as shown in 1945-46 budget.

Source: Federal appropriation acts and 1945-46 budget (appropriations); Daily Statement of the U. S. Treasury (expenditures).

brary of Congress trust fund made up the remaining 2 percent of the miscellaneous securities. A few of the smaller trust funds, like the Library of Congress trust fund, have held securities of non-Government corporations donated to them. At the close of the fiscal year 1940, only \$43.5 million of Federal land-bank bonds were held by the trust funds. The U. S. Government life insurance fund held \$42 million, the District of Columbia teachers' retirement fund \$1.4 million, and the District of Columbia workmen's compensation and the longshoremen's and harbor workers' funds \$11,000 and \$43,000, respec-

tively. About \$253,000 of the Puerto Rican and Philippine Islands bonds were still held by the District of Columbia teachers' retirement fund, and \$218,000 of stocks, mortgage bonds, and other securities were held by the Library of Congress trust funds. By the end of the fiscal year 1945, only \$416,000 was invested in other than Government securities by all the trust funds combined. Of this total, \$253,000 consisted of Philippine and Puerto Rican bonds held by the District of Columbia teachers' retirement fund, and \$163,000, of various non-Government securities by the Library of Congress trust fund.

Recent Publications in the Field of Social Security*

General

ALTMAYER, ARTHUR J. "Money and Family Security in the Changing World." *Child Study*, New York, Vol. 23, Winter 1945-46, pp. 44-47 f. 30 cents.

Shows how the social security system provides a minimum of protection against loss of income.

ALTMAYER, ARTHUR J. "Las Tendencias del Desarrollo de los Programas de Seguridad Social." *Economía, Trabajo y Seguridad Social*, Lima, Peru, Vol. 2, Nov.-Dec. 1945, pp. 469-477. Reviews the development of social security programs in Latin America and comments on trends and future needs.

CALIFORNIA. STATE RECONSTRUCTION AND REEMPLOYMENT COMMISSION. *Report and Recommendations for the Year Ending December 31, 1945*. Sacramento: The Commission, 1946. 167 pp.

Several of the Commission's recommendations relate to social security—extension of coverage to agricultural and domestic workers, employees in nonprofit institutions, and public employees, and enactment of a health and disability insurance and medical care program.

CANADIAN WELFARE COUNCIL. *Dominion-Provincial Relations and Social Security*. Ottawa: The Council, 1946. 27 pp. 25 cents.

A memorandum outlining the Council's recommendations concerning the social security system proposed by the Dominion Government.

CLAGUE, EWAN. *The Economics of War and Peace*. Philadelphia: Pennsylvania School of Social Work, 1945. 34 pp. 25 cents.

The economic problems growing out of the war and the place of social insurance in a changing economy.

CONNECTICUT. POST-WAR PLANNING BOARD. *Post-War Connecticut, Final Report of the Post-War Plan-*

ning Board. Hartford: The Board, 1945. 120 pp.

The report includes a discussion of postwar employment, the adequacy of the unemployment compensation law, and the solvency of the fund.

CORSON, JOHN J. "Basic Issues in Social Security." *Survey Graphic*, New York, Vol. 35, Mar. 1946, pp. 83-84 f. 30 cents.

An evaluation of the report *Issues in Social Security*, prepared for the House Ways and Means Committee. Compares its recommendations with the proposals of the Social Security Board and the Wagner-Murray-Dingell bill for an expanded social security system.

HOEY, JANE M. "Toward an International Social Welfare Agency." *Public Welfare*, Chicago, Vol. 4, Mar. 1946, pp. 58-62. 50 cents.

Discusses "the need for an international welfare agency, the kind of functions and powers it might have, and the type of organizational structure which would best achieve its purposes."

HUDDLE, FRANK P. "Social Insurance." *Editorial Research Reports*, Washington, Vol. 1, Apr. 1946, entire issue. \$1.

An outline of the present program and of current proposals for expansion.

LEAGUE OF NATIONS. *Report on the Work of the League During the War*. Geneva: The League, 1945. 167 pp. (Series of League of Nations Publications. General 1945. 2.) (United States Agent: International Documents Service, Columbia University Press, New York.) 50 cents.

McCLOY, SHELBY T. *Government Assistance in Eighteenth-Century France*. Durham, N. C.: Duke University Press, 1946. 496 pp. \$6.

The assistance received by the needy included famine and flood relief; medical aid; assistance to orphans, beggars, and vagabonds; charity workshops; and pensions.

MOKHOV, Z. *Social Insurance in the USSR*. London: Soviet News, 1945. 48 pp. 1s.

An informal account of the social services and their administration.

NATIONAL PLANNING ASSOCIATION. *International Economic Collaboration: Role of the Economic and*

Social Council in the United Nations Organization. Washington: The Association, 1946. 26 pp. (Planning Pamphlet No. 50.) 25 cents.

A report by the NPA Committee on International Policy.

THARP, CLAUDE R. *Social Security and Related Services in Michigan, Their Administration and Financing*. Ann Arbor: University of Michigan Press, 1946. 180 pp. (Michigan University Governmental Studies No. 16.) 75 cents.

A statement of the important features of, and methods of administering and financing, social security and related services carried on by Federal, State, and local agencies. The author recommends better integrated administration of public assistance and general relief and suggests changes in methods of financing the entire program.

Old-Age and Survivors Insurance

ALTMAYER, ARTHUR J. "How Social Security Can Help the Small Businessman." *Domestic Commerce*, Washington, Vol. 34, Mar. 1946, pp. 5-9. 10 cents.

The advantages for the small businessman in being covered under old-age and survivors insurance and some of the administrative difficulties involved.

IMMERWAHR, GEORGE E. "Problems in Federal Old-Age and Survivors Insurance." *Transactions of the Actuarial Society of America*, New York, Vol. 46, Part 2, No. 114, Oct. 1945, pp. 266-314.

The questions considered are coverage, eligibility for and adequacy of benefits, financing, and administration. The paper indicates the complexity of the problems and possible solutions.

NATIONAL GRANGE. *Journal of Proceedings of the National Grange of the Patrons of Husbandry, Seventy-Ninth Annual Session, Kansas City, Missouri, 1945*. Springfield, Mass., The National Grange Monthly, 1946 (?). 221 pp.

Includes resolutions favoring extension of "old-age or retirement insurance" to farmers and prepayment of health insurance and construction of rural hospitals and clinics.

U. S. DEPARTMENT OF AGRICULTURE. *Social Security for Farm People; Questions and Answers*. Washington: U. S. Govt. Print. Off., 1946. 14 pp.

*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Board or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

A pamphlet, prepared by the Department of Agriculture in cooperation with the Social Security Board, which attempts to answer the questions most frequently asked concerning the issues and problems involved in extending old-age and survivors insurance to farmers.

WAGGAMAN, MARY T. "Employment and the Older Worker." *Monthly Labor Review*, Washington, Vol. 62, Mar. 1946, pp. 386-396. 30 cents.

Discusses the two opposing trends—increasing longevity of industrial workers and industry's tendency to hire only young workers—and outlines remedial programs.

Employment Security

GRAY, HERMAN. *Should State Unemployment Insurance Be Federalized?* New York, Washington: American Enterprise Association, 1946. 71 pp. (National Economic Problems No. 419.) 50 cents.

The author, chairman of the New York Unemployment Insurance State Advisory Council, examines the arguments for federalization and concludes that "experience over the last ten years shows conclusively that federalization is neither necessary nor desirable for the larger purpose of improving the present unemployment insurance system." Recommends six steps for improving the existing program; extension of coverage, changes in eligibility, extension of benefits, dependents' weekly allowances, establishment of a Federal loan fund for protecting the solvency of State funds, and entire pay-roll tax collection by the States.

LEVINE, LOUIS. "To '33 or 1950?" *Employment Service Review*, Washington, Vol. 13, Mar. 1946, pp. 3-4 f. 10 cents.

Reviews the history of the U. S. Employment Service since 1933, comments on wartime changes in function and objectives, and points out the direction it should take to provide maximum employment opportunities.

MORRIS, RICHARD B. *Government and Labor in Early America*. New York: Columbia University Press, 1946. 557 pp. \$6.75.

"An analysis of the legal and social position of free and bound labor."

NATIONAL PLANNING ASSOCIATION. LABOR COMMITTEE. *A National Employment Service*. . . . Washington: The Association, 1945. 6 pp. 5 cents.

Favors Federal administration of the Employment Service.

PARMELEE, MAURICE. *Economic Factors Influencing Railroad Employment*. Chicago: U. S. Railroad Retirement Board, Office of Director of Research, 1946. 152 pp. Processed.

An analysis of some of the factors—national product and income, demand and purchasing power, capital formation and investment, prices and cost of living, and fiscal policy—which affect production and employment in general, and therefore railroad employment.

POLANYI, MICHAEL. *Full Employment and Free Trade*. Cambridge, England: The University Press, 1945. 155 pp. 8s. 6d.

An exposition of the Keynesian theory of money and depression.

WITTE, EDWIN E. "Steadying the Worker's Income." *Harvard Business Review*, Boston, Vol. 24, Spring 1946, pp. 306-325. \$1.50.

Traces the growth of interest in a stable minimum income and the various types of proposals for achieving the result. Analyzes the limitations and the longer range effect of guaranteed annual wage or employment plans.

Public Welfare and Relief

"Family Service in 1945." *Highlights*, New York, Vol. 7, Mar. 1946, entire issue. 15 cents.

Reports the activities of the Family Welfare Association of America and trends in the field of family social work during the past year.

GALPERN, MARIE, and RONCOLI, FANNIE. "Boarding Homes for the Aged in New York City." *Public Welfare*, Chicago, Vol. 4, Feb. 1946, pp. 32-35. 50 cents.

The results of a survey made in 1944 to determine the adequacy of boarding homes and to assist in formulating acceptable standards of boarding home care.

HAMILTON, GORDON. *Principles of Social Case Recording*. New York: Published for the New York School of Social Work by Columbia University Press, 1946. 142 pp. \$2.

HATHWAY, MARION. "The Need Is the Criterion." *Citizen CIO*, New York, Vol. 1, Mar. 1946, pp. 3-4 f.

Holds that the eligibility of the striking wage earner for public assistance must be determined on the basis of individual need.

"How Public Assistance Helps the Community." *Pennsylvania Public Assistance Review*, Harrisburg, Fourth Quarter, 1945, pp. 1-16.

KENNEDY, MADGE P. "Study of Requirements, Incomes and Living Arrangements of Old-Age Assistance Recipients, August 1944." *Index of Public Assistance in Missouri*, Jefferson City, Vol. 9, July-Aug.-Sept. 1945, pp. 2-21.

LENROOT, KATHERINE F. "Child Welfare in a Comprehensive Nationwide Program of Public Welfare Service." *Public Welfare*, Chicago, Vol. 4, Mar. 1946, pp. 50-51. 50 cents.

Considers the functions and internal organization of the Children's Bureau within a Federal department of welfare.

McMILLEN, WAYNE. "Broadening the Base of Social Work." *Compass*, New York, Vol. 27, Mar. 1946, pp. 11-17. \$1 a year.

Considers the idea of reconstituting boards of social agencies to include groups more widely representative of the entire community.

NEWMAN, T. S. *Guide to the Payment of Family Allowances to 2,600,000 Families*. London: Hearts of Oak Benefit Society, 1945. 23 pp. 6d.

A detailed explanation of the provisions of the British Family Allowances Act.

NEWMAN, T. S. *The Story of Friendly Societies and Social Security*. London: Hearts of Oak Benefit Society, 1945. 40 pp. 6d.

The development, present functions, and prospects of friendly societies.

NORTH CAROLINA. STATE BOARD OF PUBLIC WELFARE. *Aid to Dependent Children Cases in North Carolina Terminated in 1943-44*. Raleigh: The Board, 1945. 18 pp. Processed. (Information Booklet No. 6.)

A study of characteristics of the families and children, reasons which made assistance necessary, and reasons for terminating cases.

NORTH CAROLINA. STATE BOARD OF PUBLIC WELFARE. *Incomes and Living Arrangements of Recipients of Old-Age Assistance in North Carolina*. Raleigh: The Board, 1945. 16 pp. Processed. (Information Booklet No. 5.)

OHIO. DEPARTMENT OF PUBLIC WELFARE. *Public Aid in Ohio, 1941-1944*. Columbus: The Department, 1945. 73 pp. Processed.

A 4-year study of noninstitutional public aid.

PRAY, KENNETH L. M. "Analysis and Appraisal of Changes in Social Work Practice and Function During the War Years." *Compass*, New

York, Vol. 27, Mar. 1946, pp. 3-10. \$1 a year.

TURNER, J. SHELDON. "A Changing Philosophy in Public Assistance." *Public Welfare News* (North Carolina State Board of Public Welfare), Raleigh, Vol. 9, Mar. 1946, pp. 3-8.

Discussion of the factors which the author sees as influencing the philosophy of public assistance: the concept of Federal responsibility for providing economic security through social insurance and public assistance, and the increased understanding of the legal provisions of public assistance as safeguards rather than restricting measures.

Health and Medical Care

AMERICAN FEDERATION OF LABOR. *A Radio Forum . . . on Health Insurance*. Washington: Ransdell Inc., 1946. 7 pp. (America United No. 5.)

Discussion by Senator Claude Pepper, Nelson Cruikshank, and Russell Smith.

AMERICAN MEDICAL ASSOCIATION. COUNCIL ON MEDICAL SERVICE AND PUBLIC RELATIONS. "Associated Medical Care Plans, Inc." *Journal of the American Medical Association*, Chicago, Vol. 130, Apr. 6, 1946, pp. 951-952. 25 cents.

The report of the Council's meeting on February 14 and 15 and their recommendations to the Board of Trustees for setting up and promoting the AMA's prepayment medical care plan.

BIRD, BEDFORD W., and REUSS, CARL F. *Prepaid Health Insurance for Farm Families*. Pullman, Washington: State College of Washington, Agricultural Extension Service, 1945. 11 pp. (Extension Bulletin 316 Reprint.)

"Doctors and the Health Service." *Economist*, London, Vol. 150, Mar. 2, 1946, pp. 324-326. 1s.

Discussion of the doctors' remuneration and the administration of a national health insurance system.

GREAT BRITAIN. INTER-DEPARTMENTAL COMMITTEE ON DENTISTRY. *Final Report . . .* London: H. M. Stationery Office, 1946. 60 pp. (Cmd. 6727.) 1s.

The Committee, which was headed by Lord Teviot, reaffirms its recommendation that a comprehensive dental service be part of the national health program, and outlines measures

for recruiting and training dentists and for the organization and practice of dentistry.

KLEM, MARGARET C. "Medical and Dental Care in Prepayment Medical Care Organizations." *Journal of the American Dental Association*, Chicago, Vol. 33, Mar. 1, 1946, pp. 330-349. 50 cents.

The amount and type of dental service available under prepayment medical care organizations, with examples from typical plans.

MUSTARD, HARRY S. *Government in Public Health*. New York: The Commonwealth Fund, 1945. 219 pp. \$1.50.

An evaluation of public health services by Federal, State, and local agencies.

"The National Health Act." *Lawyers Guild Review*, Washington, Vol. 5, Nov.-Dec. 1945, pp. 347-355. 50 cents.

This report of the National Committee on Social Legislation of the National Lawyers Guild discusses the need for health insurance and analyzes the provisions of the Wagner-Murray-Dingell health bill (S. 1606). The report, which was approved by the Executive Board of the Guild, favors the proposals.

NEWMAN, T. S. *Guide to the Government's Proposals for a National Health Service*. London: Hearts of Oak Benefit Society, 1945. 20 pp. 6d.

A summary of the British White Paper.

PARRAN, THOMAS. "Medical Services of the Future." *Yale Review*, New Haven, Conn. Spring 1946, Vol. 35, pp. 385-398. \$1.

A survey of recent trends and contemplated developments in improving medical care.

PETERS, JOHN P. "The Need for a National Health Program." *State Government*, Chicago, Vol. 19, Feb. 1946, pp. 69-72. 35 cents.

Considers that the present system of competitive private practice with fee-for-service payment is inadequate to provide a Nation-wide medical care program.

PITTS, HERMAN C. "The Plan for a Voluntary Surgical Insurance Program in Rhode Island." *Rhode Island Medical Journal*, Providence, Vol. 29, Mar. 1946, pp. 191-193.

Explanation of the proposed plan.

ROGERS, EDWARD S. "Chronic Disease: A Problem That Must Be Faced." *American Journal of Public Health*, New York, Vol. 36, Apr. 1946, pp. 343-350. 50 cents.

SENSENICH, ROSCOE L. "Government Compulsory Sickness Insurance." *State Government*, Chicago, Vol. 19, Feb. 1946, pp. 73-75. 35 cents.

Reviews the reasons why the medical profession believes that medical care would deteriorate under Government compulsory health insurance.

STERN, BERNHARD J. *Medicine in Industry*. New York: The Commonwealth Fund, 1946. 209 pp. \$1.50.

Traces the advance of scientific knowledge and the social, economic, legal, and professional setting within which industrial medicine has developed. A consideration of industrial disability rates and of the extent of preventive services is followed by a review of medical care and hospital plans provided by industry, trade unions, commercial companies, and nonprofit associations.

"Toward Better Nursing Care Facilities for Chronically Ill Adults." *Alabama Social Welfare*, Montgomery, Vol. 11, Mar. 1946, pp. 3-5.

Results of a survey of the number of chronically ill in Alabama and of facilities for their care.

U. S. DEPARTMENT OF AGRICULTURE. INTERBUREAU COMMITTEE ON POST-WAR PROGRAMS. *Better Health for Rural America; Plans of Action for Farm Communities*. Washington: The Department, 1945. 33 pp.

The main problems of rural health services and what is being done and can be done to provide better medical and hospital service for rural families.

WAGNER, ROBERT F.; KRETSCHMER, HERMAN; LOHMAN, JOSEPH; and PRATT, JOHN. *Should We Adopt a Compulsory Health Insurance Program?* Evanston, Ill.: Northwestern University, Radio Department, 1945. 12 pp. (The Reviewing Stand, Vol. 6, Dec. 9, 1945.) 10 cents.

WILSON, ELIZABETH W. "Hazards of Compulsory Health Insurance." *Barron's*, New York, Vol. 26, Apr. 8, 1946, p. 3. 25 cents.

Considers that the cost of a health insurance program will be greater than estimated in the Wagner-Murray-Dingell bill and will increase after the plan has been in operation.



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Reprints From the Social Security Bulletin

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Social Security for Farm People, by A. J. Altmeyer (April 1944)

Social Security for "Industrialized Agriculture," by A. J. Altmeyer (March 1945)

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Greater Equity in Public Assistance Financing, by A. J. Altmeyer (June 1945)

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